

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

August 17, 2022 - 1:31 p.m.

21 South Fruit Street

Suite 10

Concord, NH

RE: DE 21-004

**LIBERTY UTILITIES (GRANITE STATE  
ELECTRIC) CORP. d/b/a LIBERTY UTILITIES:**

2021 Least Cost Integrated Resource  
Plan. (*Status conference*)

**PRESENT:** Chairman Daniel C. Goldner, Presiding  
Commissioner Pradip K. Chattopadhyay  
Commissioner Carleton B. Simpson

Alexander Speidel, Esq./PUC Legal Advisor

Tracey Russo, Clerk

**APPEARANCES: Reptg. Liberty Utilities (Granite  
State Electric) Corp. d/b/a Liberty  
Utilities:**

Michael J. Sheehan, Esq.

**Reptg. Residential Ratepayers:**

Donald M. Kreis, Esq., Consumer Adv.  
Office of Consumer Advocate

**Reptg. New Hampshire Dept. of Energy:**

Matthew C. Young, Esq.

Elizabeth Nixon, Director/Electric Group

Jay Dudley, Utility Analyst

Mark Toscano, Utility Analyst

(*Regulatory Support Division*)

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

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

CHAIRMAN GOLDNER: Okay. Good afternoon. This is the Commission status conference for DE 21-004, the review proceeding for the Liberty Utilities Granite State Electric's Least Cost Integrated Resource Plan filed originally on January 15th, 2021.

It's the Commission's intent to allow the parties to make opening statements today regarding their views on the current status of the proceeding. Following that, the Commission will make inquiries regarding the status of the review, and some brief questions for the Company.

Mr. Sheehan, is the Company prepared to offer a testimonial witness today to answer brief Commission questions, and, if not, any Commissioner questions will be made as record requests?

MR. SHEEHAN: Yes. Sitting behind me are two folks from our Engineering Department, Michael Cooper and Anthony Strabone, and, of course, you know Heather. So, they were the ones involved in drafting the responses to your questions, and are prepared to answer.

1                   CHAIRMAN GOLDNER:   Okay.   Very good,  
2                   sir.   Thank you.

3                   So, even though the procedural schedule  
4                   makes reference to "intervenors", can we have a  
5                   confirmation that the only parties to this  
6                   proceeding are present, that are present today,  
7                   are the Company, the OCA, and the DOE, is that  
8                   correct?

9                   MR. SHEEHAN:   Yes.

10                  CHAIRMAN GOLDNER:   Okay.   Thank you.

11                  Okay.   Well, let's move directly to  
12                  opening statements, beginning with the Company.

13                  MR. SHEEHAN:   Thank you.   I really  
14                  don't have an opening prepared.

15                  This IRP was filed in, as you  
16                  mentioned, January of '01 ['21?].   We've been  
17                  going through the discovery process.   There have  
18                  been a few sidetrack issues that has been filed  
19                  this spring regarding the Bellows Falls report.  
20                  We have a hearing scheduled in October or  
21                  November, and we're prepared to finish the docket  
22                  out.

23                  So, I'm not -- you know, the Commission  
24                  called this status conference.   I assume it has

1           questions. So, we're happy to field them.

2                   CHAIRMAN GOLDNER: No problem. Just  
3 wanted to give you an opportunity to go up front.

4           MR. SHEEHAN: Sure.

5                   CHAIRMAN GOLDNER: Okay. Very good.  
6 Let's move to the OCA.

7           MR. KREIS: The OCA, likewise, doesn't  
8 really have an opening statement.

9                   I am a little concerned about the  
10 Commission taking evidence today, in the sense  
11 that a status conference isn't really the same  
12 thing as a hearing for purposes of the  
13 Administrative Procedure Act or the Commission's  
14 procedural rules.

15                   That said, I certainly don't object to  
16 the Commission asking questions. And I suppose,  
17 if the Commission wants its answers under oath,  
18 it's really hard to take a principled objection  
19 to that either.

20                   So, I suppose I just talked out of the  
21 both -- I suppose I just spoke out of both sides  
22 of my mouth, for which I apologize.

23                   CHAIRMAN GOLDNER: No worries. Thank  
24 you, Mr. Kreis. And let's move to the Department

1 of Energy.

2 MR. YOUNG: Good afternoon,  
3 Commissioners. This is Matt Young, appearing on  
4 behalf of the Department of Energy. I, too,  
5 wasn't -- hadn't really prepared an opening  
6 statement.

7 But, I guess, with me today is Liz  
8 Nixon, who is our Electric Director, as well as  
9 Jay Dudley and Mark Toscano, who are two of our  
10 electric analysts working on the matter.

11 CHAIRMAN GOLDNER: No problem. That  
12 sounds good.

13 And I think, Mr. Kreis, I think, to  
14 respond to your question, I think you had  
15 encouraged us in the past to have more  
16 dialogue-type sessions. I think that's the  
17 intent today is to sort of have more of a  
18 dialogue. So, we're trying to be responsive to  
19 that earlier comment.

20 MR. KREIS: And, indeed, that is what I  
21 had assumed. So, I don't want to impede that at  
22 all.

23 CHAIRMAN GOLDNER: Thank you. Okay.  
24 So, maybe just some preliminary questions, just

1 to move things along.

2 The first question, to the DOE and OCA,  
3 is just, you know, are you on track to file  
4 testimony on September 16th, which is what the  
5 procedural schedule suggests?

6 And just kind of tracking, we just want  
7 to track to see if you're looking good for that  
8 date.

9 MR. KREIS: I will just leap right in  
10 and say I actually don't have plans to file  
11 testimony in this docket. I have to triage my  
12 resources. And, so, we've been focused on the  
13 Eversource LCIRP docket. And we will be filing  
14 testimony in that docket on Friday.

15 CHAIRMAN GOLDNER: Okay. Very good.  
16 So, check on that. And Mr. Young?

17 MR. YOUNG: The Department is on track  
18 to file testimony in this docket.

19 CHAIRMAN GOLDNER: Okay. Very good.  
20 And understanding that everyone's very busy,  
21 including the Commission, it sounds like there's  
22 no concerns there. So, I'll skip over my next  
23 question.

24 Do any of the parties today wish to

1 give an indication of their preliminary position  
2 regarding the LCIRP today?

3 MR. YOUNG: The Department is still  
4 analyzing the data and preparing our testimony,  
5 and we'll file that.

6 CHAIRMAN GOLDNER: Okay. Very good.  
7 Seeing no other replies.

8 Did the parties take note of the  
9 responses to the record requests made by the  
10 Commission? Everybody saw that?

11 *(Atty. Kreis and Atty. Young indicating*  
12 *in the affirmative.)*

13 CHAIRMAN GOLDNER: Okay. That was  
14 very, very detailed, I know. Thank you to the  
15 Company for that.

16 And then, a question for the DOE.  
17 There was -- in the filing, there was some work  
18 back on a Brian Buckley letter dated "September  
19 17th" relative to an engineering consultant.  
20 Will the DOE be relying on internal resources or  
21 a consultant, or do you know? Maybe that, when  
22 Brian left, maybe that all just dropped. But  
23 we're just trying to sort through what's  
24 happening there.



1 MR. YOUNG: The River Consulting Group  
2 has been contracted to work on this docket.

3 CHAIRMAN GOLDNER: Okay. Okay. And do  
4 anticipate they're needing them for the  
5 September 16th testimony?

6 MR. YOUNG: Yes.

7 CHAIRMAN GOLDNER: Okay. And you're  
8 on -- you remain on track for September 16th with  
9 the consulting company?

10 MR. YOUNG: Yes.

11 CHAIRMAN GOLDNER: Okay. Thank you.

12 All right. So, let's maybe move to  
13 Commissioner questions.

14 Commissioner Simpson, would you like to  
15 go first?

16 CMSR. SIMPSON: Sure. Thank you.  
17 Really, just one.

18 We received some updates with respect  
19 to the Bellows Falls area, and the Company  
20 prepared some detailed reports on analyzing of  
21 non-wires solutions there.

22 Specific to that area, does the Company  
23 plan on revising the IRP that they filed back in  
24 '21 based on any of those findings? Or, are you

1 at a point where it's uncertain. Do you not  
2 intend to revise the January 15th, '21 filing?

3 Just trying to understand where or what  
4 the Company intends to put forward, and whether  
5 it's the same thing or something different, just  
6 trying to get a handle on that.

7 MR. SHEEHAN: So, we had not planned to  
8 amend the original filing. It's an issue that  
9 comes up in all IRPs. They get filed on day one,  
10 and the cases take a few years, and there has  
11 never been a practice of serially updating them.

12 That being said, we would certainly  
13 intend to incorporate these reports and -- at  
14 hearing, and I haven't thought this all the way  
15 through, but I suspect these reports would be  
16 exhibits at the hearing. So, in some ways, it  
17 would be a supplement to the filing, which is  
18 what you'll see tomorrow in the gas IRP. There  
19 was an initial filing, and then some testimony  
20 supplementing that original filing.

21 CMSR. SIMPSON: Thank you. And are  
22 there any other elements or areas of your service  
23 territory that you're analyzing in a similar way,  
24 in preparation for the hearing upcoming in this

1 proceeding?

2 MR. SHEEHAN: Subject to confirmation  
3 from behind me, I don't think so.

4 MR. STRABONE: That is correct.

5 CMSR. SIMPSON: Okay. That's all I  
6 had, Mr. Chairman. Thank you.

7 CHAIRMAN GOLDNER: Okay. Thank you.  
8 We'll move to Commissioner Chattopadhyay.

9 CMSR. CHATTOPADHYAY: I have just --  
10 excuse me. I have just one question. And this  
11 relates to, let me go to the number, the Record  
12 Request Number 1-4, which was responded on the  
13 5th of August 2022. And, yes, this is simply out  
14 of curiosity, because at this point I'm just  
15 still processing the information.

16 Do you have that handy and in front of  
17 you? Okay.

18 So, it says at the end "The report  
19 referenced was prepared for the Empire District  
20 in Missouri and New Hampshire" -- "not New  
21 Hampshire, however, the below estimates were  
22 based on industry costs, not geographic area."

23 I'm trying to understand what is meant  
24 by "industry costs" there. Is it like looking --

1       it must be about some geographic area, right? I  
2       mean, I'm just --

3               MR. SHEEHAN: So, I'll answer at a high  
4       level, and the folks behind me will answer at the  
5       lower level or the detailed level.

6               Just to be clear, the "Empire District"  
7       is one of our affiliates in the Midwest. It's a  
8       Liberty company. And these folks have far more  
9       information, and I will let them --

10              CMSR. CHATTOPADHYAY: Okay.

11              MR. SHEEHAN: -- answer your question  
12       more directly.

13              CMSR. CHATTOPADHYAY: Yes. Okay.

14              MR. STRABONE: Yes. So, ultimately,  
15       what you have here under that record request is  
16       what was provided for our Empire District out in  
17       Missouri. And a lot of those costs for batteries  
18       were what they were seeing in the industry, also  
19       what was driven by commodity pricing.

20              The graph here that you see in this  
21       record request, and for one example that they  
22       gave us was the "Interconnection Assumption" that  
23       they used in this example was "\$500,000". That  
24       was -- they were using that number as what they

1 saw as an industry cost for what they were  
2 designing for the interconnection. And I think  
3 it was based on overhead wire approximately for  
4 one mile.

5 Our current costs are 510,000 per mile.  
6 So, we adjusted our numbers to match more locally  
7 here. But Burns & McDonnell, when they did this,  
8 did not use New Hampshire, or what we saw from  
9 construction, or what they were seeing for  
10 construction costs. They were just using more  
11 generic industry standard costs that they were  
12 seeing for construction or material charges --  
13 excuse me, or labor.

14 We took that information and adjusted  
15 it more locally for what we had in this area.

16 CMSR. CHATTOPADHYAY: So, this table is  
17 still just about the -- it's not adjusted, right?

18 MR. STRABONE: Correct.

19 CMSR. CHATTOPADHYAY: Okay.

20 MR. STRABONE: This is not adjusted,  
21 because our numbers are different in the report  
22 than what you see here.

23 CMSR. CHATTOPADHYAY: Yes.

24 MR. STRABONE: But this was the basis

1           for our information that we calculated our costs.

2                   CMSR. CHATTOPADHYAY: And can you give  
3 me a sense of, overall, what percentage would you  
4 say that the adjustment was? Like, upwards by  
5 how much? If you have it handy?

6                   MR. STRABONE: If you give me a few  
7 seconds, I can pull up what we came up with a  
8 cost, --

9                   CMSR. CHATTOPADHYAY: Okay.

10                  MR. STRABONE: -- and let you know.

11                  CMSR. CHATTOPADHYAY: Thank you.

12                  MR. STRABONE: Thank you.

13                  CMSR. CHATTOPADHYAY: And I do have the  
14 report in front of me, too. So, if you can  
15 just -- if you are picking it up from somewhere  
16 there, that would be helpful.

17                  MR. STRABONE: Forgive me for one  
18 second. Their numbers, in our report, are  
19 smaller batteries, 8 megawatt. And the largest  
20 one that they had was a 5. So, it wasn't a  
21 direct comparison. I just have to do the math to  
22 find out what the costs were. So, one second  
23 please.

24                  CMSR. CHATTOPADHYAY: Sure.

1                   *[Short pause.]*

2                   MR. STRABONE: Thank you for your  
3                   patience. On average, it's about, for what we  
4                   saw, it was about a 20 percent change in costs.

5                   CMSR. CHATTOPADHYAY: Higher?

6                   MR. STRABONE: Yes.

7                   CMSR. CHATTOPADHYAY: Thank you.  
8                   That's all I have.

9                   CHAIRMAN GOLDNER: Okay. And I just  
10                  have a few more.

11                  So, first, I'd like to compliment the  
12                  Company on very thorough record requests. So,  
13                  that will make for a much shorter meeting than we  
14                  were anticipating today, maybe even some kind of  
15                  record. So, thank you for that. It makes things  
16                  a lot easier.

17                  I do have just a couple of questions.  
18                  And these, you know, these are just sort of for  
19                  the general purpose.

20                  But what's the definition of  
21                  "traditional wires solution"? What does the  
22                  Company mean by those three words together?

23                  MR. STRABONE: "Traditional wires  
24                  solution" would really mean "pools and wires",

1 standard what you see out in service territories  
2 today on any electric system. Just "poles,  
3 wires", and "tree trimming" is also included in  
4 part of that.

5 CHAIRMAN GOLDNER: Okay. Okay. Very  
6 good.

7 And then, in the Company's Record  
8 Request 1-4 -- or, Number 14, does the Company  
9 assert that the so-called "traditional wires  
10 solutions" are exempt from cost-benefit  
11 analysis -- I'm sorry -- are exempt from  
12 cost-benefit analysis totally? We're just trying  
13 to understand what was meant by in that record  
14 request?

15 MS. TEBBETTS: So, we wouldn't say it's  
16 "exempt" from it. But it is -- looking at  
17 traditional wires solutions, we look at -- the  
18 lense through which we look at it may be  
19 different, simply because of the technology that  
20 we're using that we -- for a non-wires solution.  
21 We have a lot of data, as Mr. Strabone noted,  
22 about our costs associated with wires solutions.  
23 The non-wires solutions cost is a little more  
24 difficult to get information on. We have to



1       utilize industry averages, unless we know of  
2       another company locally that has maybe provided  
3       this information publicly.

4               So, we wouldn't say it's "exempt" from  
5       it. We just don't always perform them on the  
6       traditional.

7               CHAIRMAN GOLDNER: And can you just  
8       walk us through why you don't do a more sort of  
9       complete analysis? Why you have to depend on  
10      industry data?

11              MS. TEBBETTS: For the wires solutions?

12              CHAIRMAN GOLDNER: Yes.

13              MS. TEBBETTS: Oh, okay. So, for wires  
14      solutions, we wouldn't look to industry data, we  
15      would look to our own data.

16              So, essentially, we would be looking to  
17      do traditional solutions for a specific problem,  
18      such as reliability. And, in the past, we've  
19      done many of these projects. And, so, we know  
20      the costs associated with those kinds of, you  
21      know, bare conductor replacement, and things like  
22      that, we know those costs. That's what we do  
23      every day.

24              CHAIRMAN GOLDNER: Okay. Thank you for

1           that.

2                       So, I think the only other thing I'd  
3       ask Mr. Sheehan is, has the Company taken note of  
4       the recent LCIRP, 26,666, DE 20-002? Has the  
5       Company seen that filing? It's a different  
6       docket, it's not a Liberty docket, but it  
7       provides some LCIRP direction.

8                       MR. SHEEHAN: And I'm just looking  
9       whose case that is.

10                      CHAIRMAN GOLDNER: It's a Unitil --

11                      MR. SHEEHAN: Oh, Unitil electric? No,  
12       I have not. We, obviously, saw the Unitil gas  
13       one. We've been paying attention to that. But I  
14       have not -- is it an order from the Commission?

15                      CHAIRMAN GOLDNER: Order from the  
16       Commission on Monday.

17                      MR. SHEEHAN: Okay.

18                      CHAIRMAN GOLDNER: So, if there was  
19       any -- there won't be any questions, now that  
20       you've answered the question. But, if there is  
21       anything to discuss there, we would be happy  
22       to -- happy to go through that.

23                      So, okay, that's good. Are there any  
24       other comments or questions from any of the

1 parties? The Commission asked all of our  
2 questions.

3 MR. KREIS: Well, in response to the  
4 very last thing that you said, Mr. Chairman, the  
5 OCA has obviously noticed the two LCIRP orders  
6 that the Commission has put out over the next  
7 several days. We've already filed a motion to  
8 rehear one of them. And, as to the other, I  
9 would say, well, neither of those orders are  
10 final for 30 days until -- or, until 30 days  
11 after their issuance.

12 And, so, I would respectfully suggest  
13 that everybody in the room, including the folks  
14 up at the Bench, not treat those orders as really  
15 having any effect, until they become final, and  
16 unappealable.

17 CHAIRMAN GOLDNER: Fair enough, Mr.  
18 Kreis. Noted.

19 Anything else to -- any other comments  
20 from the parties or questions?

21 *(Atty. Young indicating in the*  
22 *negative.)*

23 CHAIRMAN GOLDNER: No? Very good.

24 Okay. Well, this status conference is

1           hereby concluded. Thank you, everyone, for  
2           coming today. And we are adjourned.

3                       *(Whereupon the status conference was*  
4                       *adjourned at 1:50 p.m.)*