

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

November 17, 2022 - 1:33 p.m.
21 South Fruit Street
Suite 10
Concord, NH

[Hearing also conducted via Webex]

**RE: DE 22-024
LIBERTY UTILITIES (GRANITE STATE
ELECTRIC) CORP. d/b/a LIBERTY UTILITIES:
2022 Default Service Solicitations.
(Prehearing conference)**

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

Doreen Borden, Clerk and PUC Hybrid
Hearing Host

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.
David K. Wiesner, Esq.
(Regulatory Support Division)

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

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

2 CHAIRMAN GOLDNER: Okay. Good
3 afternoon. I'm Commissioner Goldner. I'm joined
4 by Commissioner Simpson and Commissioner
5 Chattopadhyay.

6 This is a prehearing conference in
7 Docket DE 22-024, in preparation for the Liberty
8 Default Service Solicitation for the February
9 through July 2023 six-month period.

10 Let's take appearances, beginning with
11 the Company.

12 MR. SHEEHAN: Good afternoon,
13 Commissioners. Mike Sheehan for Liberty
14 Utilities (Granite State Electric) Corp.

15 CHAIRMAN GOLDNER: Thank you. And the
16 Office of Consumer Advocate?

17 MR. KREIS: Good afternoon. I'm Donald
18 Kreis, the Consumer Advocate, here on behalf of
19 residential utility customers, as usual.

20 CHAIRMAN GOLDNER: Very good. And the
21 New Hampshire Department of Energy?

22 MR. YOUNG: Good afternoon,
23 Commissioners. Matt Young, appearing on behalf
24 of the Department of Energy. With me today is

1 David Wiesner, serving as co-counsel; and from
2 our Regulatory Division is Liz Nixon, the
3 Electric Director, as well as Scott Balise, who
4 is an Analyst working on this matter.

5 CHAIRMAN GOLDNER: Okay. Very good.
6 Is there anyone else here today that would like
7 to identify themselves and make a statement on
8 the record?

9 *[No indication given.]*

10 CHAIRMAN GOLDNER: Okay. Seeing none.
11 So, for preliminary issues, the
12 prehearing conference was requested by the
13 Company as part of its proposed procedural
14 schedule that it submitted to the Commission on
15 October 4th, 2022; no objections were made to the
16 proposal. The procedural schedule, which was
17 approved by the Commission in October, is geared
18 toward the review of potential approval of
19 Liberty Default Service rates for service
20 beginning February 1st, 2023.

21 In its proposed procedural schedule,
22 Liberty made this notation for the prehearing
23 conference, a prehearing conference to discuss
24 alternative compliance in the event of a failed

1 solicitation. We've seen a proposal from
2 Liberty's New Hampshire peer utility, Eversource,
3 regarding how to handle this potential for their
4 upcoming Default Service Solicitation. And we
5 anticipate that Liberty will present its concepts
6 today.

7 Does the Company have any comments on
8 the summary or suggestions on how best to proceed
9 today?

10 MR. SHEEHAN: No comments on the
11 summary. What we were thinking is I have a
12 two-minute statement to just sort of set the
13 stage. And we have the folks here and on the
14 screen who can answer questions. And,
15 understanding you went through this with
16 Eversource, I suspect you have the broad picture
17 in mind. And we can just let you know what we're
18 thinking and answer questions.

19 CHAIRMAN GOLDNER: Okay. Very good.
20 Is that acceptable to the parties?

21 Very good. Is that acceptable to the
22 parties?

23 MR. YOUNG: Yes.

24 CHAIRMAN GOLDNER: Okay. Consumer

1 Advocate, are you okay with that proposal?

2 MR. KREIS: I am delighted with that
3 proposal.

4 CHAIRMAN GOLDNER: Excellent. Thank
5 you. All right. Please proceed.

6 MR. SHEEHAN: Thank you. And we're
7 glad he's delighted.

8 First, thank you for holding this
9 session. Our intent this morning is to let you
10 know four or five things. First, what we would
11 consider to be a so-called "failed auction".
12 Second, what you already know, there's a chance
13 that could happen. Third, Liberty's plans to,
14 hopefully, avoid that situation. Fourth, our
15 plan in case of a failed auction. And five, the
16 last step today is to allow you folks to ask
17 questions.

18 First, we consider a "failed auction"
19 to be one in which either we receive no bids for
20 one or more of our blocks, or we receive one or
21 more bids that we determine to be out-of-market,
22 so that we would be compelled to reject that bid
23 and take whatever the next steps are.

24 We're sensitive to the conversation

1 with Eversource last week. We do not intend to
2 ask the Commission or the parties to participate
3 in our decision of whether to accept or reject a
4 bid. We will use our professional judgment,
5 weighing all the relevant information, to make
6 that decision.

7 Second, as you likely heard from
8 Eversource last week, there is a chance of a
9 failed auction. There have been instances in New
10 England this season where utilities have not
11 received bids, or have received bids that those
12 utilities rejected. We're hopeful that won't be
13 the case here, but we won't know until we receive
14 bids.

15 We requested this session to make sure
16 the Commission is aware of the risk, which you
17 are, and what Liberty intends to do should we
18 experience such an auction failure.

19 There is an informal step that we will
20 take to try to avoid that situation, and it's
21 fairly simple, and that is communication. Mr.
22 Warshaw has always, and is now, talking to
23 bidders. Every session he talks to them, takes
24 their pulse, answers whatever questions, and he's

1 engaged in that now. Obviously, he can't affect
2 their decisions, he can't predict anything. But
3 he is talking, and will make whatever efforts he
4 can to encourage folks to bid.

5 We see that we have two options, if we
6 get to that point of a failed bid. They are
7 either, and/or, do another RFP, or, I never use
8 quite the right lingo, but go to the market and
9 purchase the power ourselves.

10 A second RFP has challenges. Schedule
11 challenges, the bids themselves may be affected
12 by the knowledge that the first auction failed.
13 It could result in higher prices. However, if
14 that becomes a viable option, we certainly can do
15 it. It would be a compressed timeframe of RFP,
16 response, hearing, all before the February 1
17 rate.

18 The other option we would have is to go
19 to the market and procure power ourselves.
20 Mr. Doll and Mr. Parker on the screen, and their
21 team, are based in Joplin, Missouri. Quick
22 background, one of the Liberty affiliates is
23 called the "Empire District". It's a roughly
24 200,000-customer, vertically-integrated utility,

1 and based in Missouri. And they had a fairly
2 substantial team that does these kinds of things,
3 and we get the benefit of their expertise.

4 Should the Liberty New Hampshire
5 portfolio have to be added to them, it would be
6 something they can accommodate. They do this now
7 for other Liberty affiliates, that is in the
8 market buying power every day. So, adding
9 Liberty would be adding just another piece to
10 what they already do. So, the capabilities are
11 there. And they can certainly explain that
12 later.

13 My understanding is, the only
14 out-of-house thing that they may need help with
15 is some modeling. They do some modeling. The
16 modeling of how much -- they have to make a
17 decision every day how much to buy tomorrow.
18 There's apparently some sophisticated modeling
19 out there that they may seek outside assistance
20 for. But that's -- my understanding, that is the
21 only outside cost. Of course, should they be
22 doing this, their time would be charged to New
23 Hampshire, and that would be at some cost to run
24 that program.

1 And, if we were to go that route, we
2 would propose a rate based on then futures, and
3 that's the rate that would be billed. And there
4 would be some process to reconcile the actuals at
5 the end of the period.

6 The way I see the decision point
7 happening is at our hearing. So, we won't know
8 if we're going to have this issue until we
9 receive bids, which is only a few days before a
10 hearing. And assume, on that day, we either
11 don't receive bids or are going to reject the
12 bids, we will certainly let folks know. And
13 then, we'll be at a hearing days later, and
14 that's where we'll be making a proposal that we
15 propose to do either go out for another RFP or go
16 to the market, and we could then have that
17 discussion then. So, this, hopefully, will
18 become a moot point, but that's how we see it
19 playing out.

20 So, with that being said, we're happy
21 to turn it over to you for questions. Again, Mr.
22 Warshaw is next to me, Mr. Doll and Mr. Parker
23 are on screen, and ready to field them.

24 CHAIRMAN GOLDNER: Okay. Very good.

1 Would you like them to be witnesses today and be
2 sworn in? Or, would you prefer it to be
3 informal?

4 MR. SHEEHAN: I'd prefer, frankly,
5 informal. I understand Eversource chose to swear
6 in, in part, because they were proposing to ask
7 the Commission to order something, and they would
8 need a record. Here, we're not.

9 So, I'm happy to keep this as a
10 "technical session" kind of conversation.

11 CHAIRMAN GOLDNER: Okay. Any concerns
12 from the parties?

13 MR. KREIS: None from us.

14 MR. YOUNG: And none from us.

15 CHAIRMAN GOLDNER: Okay. Very good.

16 And the next question is, would the OCA
17 and/or DOE like to lead off or do you have any
18 questions for Liberty today? Would you like to
19 ask the witnesses anything?

20 I've puzzled Attorney Kreis. That's
21 hard to do.

22 MR. KREIS: Well, I have a good idea
23 already of what Liberty's witnesses are going to
24 say -- or, Liberty's representatives, rather, are

1 going to say. And I don't expect to have any
2 questions for them, this being a prehearing
3 conference.

4 I suppose, if they say anything that I
5 find shocking, I might leap out of my chair and
6 say "Wait a minute." But, other than that, I'm
7 just -- mostly, I think the utility of today's
8 proceedings is to hear them explain how they're
9 approaching the current challenge, and then you
10 folks up on the Bench can address any concerns
11 that you might have.

12 CHAIRMAN GOLDNER: Okay. Very good.
13 Attorney Young?

14 MR. YOUNG: The Department, I guess,
15 would also defer until after the remarks.

16 CHAIRMAN GOLDNER: Okay. Very good.
17 Very good.

18 So, Attorney Sheehan, would you like
19 the Commissioners to address their questions to
20 the witnesses, or would you like to lead off with
21 some preamble?

22 MR. SHEEHAN: I'm all set. Again, I
23 think everyone here understands the context, the
24 background. And my sense is that you folks

1 probably have more particular questions that I
2 may not anticipate. So, I'd rather just turn it
3 over to you and proceed that way.

4 CHAIRMAN GOLDNER: Okay. Very good.
5 So, we'll begin with Commissioner
6 Simpson.

7 CMSR. SIMPSON: Well, I think I
8 understand the process that the Company just
9 outlined. And, at this point, I don't have any
10 questions.

11 CHAIRMAN GOLDNER: Okay. Attorney --
12 "attorney". Commissioner Chattopadhyay. Sorry.

13 CMSR. CHATTOPADHYAY: Yes, I wish I was
14 an attorney.

15 CMSR. SIMPSON: I'm not so sure about
16 that, but I wish I were a Ph.D. in Economics.

17 CMSR. CHATTOPADHYAY: Thank you.

18 MR. KREIS: It's not too late for any
19 of that at this point.

20 CMSR. CHATTOPADHYAY: I'm glad this is
21 informal.

22 CMSR. SIMPSON: Okay.

23 CMSR. CHATTOPADHYAY: So, can you,
24 again, what's the Company in Missouri that have

1 the ability to do it? Empire District?

2 MR. SHEEHAN: The "Empire District".
3 But you can certainly call them "Liberty",
4 because they are.

5 CMSR. CHATTOPADHYAY: Okay, they are
6 Liberty. Okay.

7 And they can actually participate in
8 the ISO-New England market?

9 MR. SHEEHAN: Aaron?

10 MR. DOLL: Can you hear me okay?

11 CMSR. CHATTOPADHYAY: Yes.

12 MR. DOLL: Okay. Sure. Maybe just to
13 help, give just a little brief background. My
14 name is Aaron Doll, Senior Director of Energy
15 Strategy, here at Liberty Central, from the
16 legacy Empire District Electric Company. Just
17 some background on that company, in particular,
18 since that's our primary, we're the agent for
19 that company. About 1,200 megawatt peak load, in
20 Missouri, Oklahoma, Arkansas, and Kansas,
21 approximately 2,400 megawatts of nameplate
22 generation. The legacy Empire District Electric
23 Company, been around over 100 years when it was
24 acquired by Algonquin in 2018. And, so, we've

1 been a part of the Liberty family for about five
2 years.

3 In particular, I've got 16 years inside
4 the industry, starting off in the Regulatory
5 Department and Planning arena, where I was
6 focused on integrated resource planning, and then
7 moved over to the Marketing Department, and have
8 been there for the last eight to nine years, as
9 we went from a imbalanced market, to a full
10 day-two market.

11 So, the Department that I oversee is
12 called "Energy Supply Services". We participate
13 in the SPP Integrated Marketplace. And we
14 provide power marketing, fuel procurement,
15 resource adequacy support to support the
16 participation in the SPP Integrated Marketplace.

17 Our shop is a 24/7 shop, with a
18 rotating shift. We procure energy and manage all
19 sorts of services on an hourly basis. So, while
20 participation with New England ISO would be a new
21 RTO for the Department, we are a fully capable
22 and competent group, with the infrastructure and
23 staff, able to support Granite State for the
24 procurement of energy purposes, supplying energy

1 for the Granite State customers.

2 And, you know, finally, I'll say we
3 have, you know, relationships and service
4 agreements with third parties, too. So, to the
5 extent we get where we need additional
6 assistance, on something outside of our
7 particular area of expertise, we have those
8 relationships and agreements in effect, and ready
9 to execute on a timely basis.

10 CMSR. CHATTOPADHYAY: So, should I
11 assume that you have the ability to participate
12 in the day-ahead markets and the real-time
13 markets in the ISO-New England, and be able to
14 procure whatever modeling you do for the
15 forecasted needs, and sort of do it without
16 having to deal with any red tape?

17 MR. DOLL: Yes, I believe so. We do,
18 you know, since we are vertically integrated, we
19 have both load and generation. So, this would
20 just be kind of one side of what we currently do
21 within the SPP Integrated Marketplace, and that
22 is both a day-ahead and real-time procurement of
23 energy for retail service.

24 CMSR. CHATTOPADHYAY: Good. So, as I

1 understood, Liberty mentioned that, if required,
2 you can also do a second RFP. Let's say, let's
3 create a hypothetical situation, 20 percent of
4 your -- excuse me -- purchase on the first RFP,
5 you determine that's, for whatever reason, you
6 know, prices are way too high or that's not
7 market-based. And, so, you kind of conclude that
8 we need to -- that, for the 20 percent of your
9 needs, that's a failed auction, failed RFP.

10 And, so, you -- the question is, can
11 you give me a sense of the timeline for the
12 particular procurement that you're talking about
13 here? And how much time would you need to be
14 able to do the second RFP, if needed?

15 And can you -- and then, after sharing
16 that, give me a sense of whether that is doable,
17 and, you know, how much doable?

18 MR. WARSHAW: First of all, you know,
19 we would -- our RFP and our supply is either all
20 or nothing. We wouldn't have a piece of the
21 supply hanging out. We buy for either the
22 Residential and Small Customer Group or we buy
23 for the Industrial and Large Commissioner Group,
24 we have two blocks. And we don't split that up

1 into pieces. It's 100 percent of the load in
2 each of those blocks. So, there's only one
3 supplier that would take on a
4 Residential/Commercial block, and possibly one
5 supplier that would take on the Industrial. But
6 it wouldn't be split, so that they would only
7 take on 50 percent or 25 percent of the load,
8 they would be taking on 100 percent.

9 CMSR. CHATTOPADHYAY: So, there is no
10 laddering?

11 MR. WARSHAW: "Laddering" is different.
12 Laddering is going across multiple months.

13 CMSR. CHATTOPADHYAY: Yes.

14 MR. WARSHAW: And we don't do
15 laddering.

16 CMSR. CHATTOPADHYAY: Right.

17 MR. WARSHAW: We do everything six
18 months.

19 CMSR. CHATTOPADHYAY: And for -- assume
20 I don't know anything about this. But, as far as
21 the Commercial one, when you said it's a "block",
22 do you divide them into months? And how does
23 that work? Can you say that "for this month, the
24 rates are really crazy"?

1 MR. WARSHAW: No. We would not do
2 that. When we receive a bid from a supplier,
3 it's to serve all of the months in that block.

4 CMSR. CHATTOPADHYAY: Okay.

5 MR. WARSHAW: We don't have the ability
6 to say "Well, we'll take three blocks from this
7 guy, and two blocks from the other guy, and a
8 block from here." We don't have that. It's all
9 or nothing.

10 CMSR. CHATTOPADHYAY: Okay.

11 MR. SHEEHAN: Just so you know, the
12 blocks on the Commercial side do vary by month,
13 but they come, you know, 20, 15, 20, but it's
14 still one block.

15 CMSR. CHATTOPADHYAY: Yes, that's what
16 I was trying to understand. So, yes.

17 So, give me a sense of the timeline,
18 how things will, you know, proceed, and whether
19 you can actually, relatively comfortably,
20 accommodate a second round, second RFP?

21 MR. WARSHAW: I wouldn't say
22 "comfortably". We're, you know, we're receiving
23 our final binding bids on December 13th. We will
24 file a few days later the results. We would then

1 be in front of this Commission December 20th, if
2 I have the right date. And, if, for some reason,
3 it's a failed auction, we got the ability to go
4 out for another RFP, would probably be tight.

5 You know, between the Commission and
6 everyone -- most other people heading into the
7 Holiday Season, there may or may not be folks
8 willing to do -- spend much time bidding. So, we
9 would probably be receiving bids sometime in
10 January. And then, it would be an accelerated --
11 I wouldn't do a indicative and final, I'd just,
12 you know, ask for final binding bids. And it
13 would still be the same sort of timeline, get
14 bids on a certain date, file them within a few
15 days, and then expect the Commission to be able
16 to schedule a hearing within, you know, the
17 timeframe that is needed to be able to approve
18 the rates, so that they can go into effect on
19 February 1st.

20 CMSR. CHATTOPADHYAY: So, when, in
21 January, would you expect that would wrap up, if
22 you go to the second RFP? And you said "sometime
23 in January", can you give me a sense?

24 MR. WARSHAW: I don't have a specific

1 date.

2 CMSR. CHATTOPADHYAY: No, I'm not
3 asking that. A sense?

4 MR. WARSHAW: Yes. I would think that
5 we could probably get a new, you know, if we
6 issue an RFP, and we get responses, we could
7 probably be in front of the Commission maybe the
8 second or, you know, by the third week of
9 January.

10 CMSR. CHATTOPADHYAY: Okay. And, from
11 that time onwards, if even the second one ends up
12 failing, the RFP, do you have enough time to do
13 exactly what you were talking about, going to the
14 spot markets?

15 MR. WARSHAW: I would guess that, if we
16 have a failed RFP in December, we would basically
17 do, at the same time, going out for a second RFP,
18 we would also be setting up the Company --

19 CMSR. CHATTOPADHYAY: Good.

20 MR. WARSHAW: -- to be able to do
21 the -- participate in the New England ISO
22 marketplace.

23 CMSR. CHATTOPADHYAY: Okay.

24 MR. WARSHAW: Currently, they are not

1 set up. We would have to have them, you know,
2 get certificates, and set up their system, so
3 that they could verify it, when they submit a
4 bid, the bid would be accepted by ISO, and then
5 they would get the echo back to make sure it's
6 received. But I believe that we can do all of
7 that before February 1st.

8 CMSR. CHATTOPADHYAY: Okay. That is
9 extremely helpful. Thank you. That's all I
10 have.

11 CHAIRMAN GOLDNER: Thank you,
12 Commissioner.

13 So, the first question is, if there is
14 a failed solicitation, let's just say it's in
15 your Residential, you know, category, how do you
16 set the six-month price?

17 Let's say you have to go completely to
18 the spot market, in a failed solicitation, how do
19 you decide what that set price is for six months?
20 How would that be determined?

21 MR. WARSHAW: We would -- we would set
22 that price based on the market fundamentals at
23 the time, using NYMEX futures for that period,
24 and, additionally, adding on estimated costs for

1 ancillary services, Forward Capacity Market, some
2 other adjustment, I could say, to take into
3 account differences between forward pricing and
4 actual expected pricing.

5 And we would then have a price that we
6 would put out for our customers. But that
7 price -- and that cost would be fully
8 reconcilable at our next reconciliation, which is
9 scheduled for June of 2023.

10 CHAIRMAN GOLDNER: So, it sounds like
11 you have the algorithm already sorted out, you
12 articulated the major pieces. But you have the
13 algorithm in your mind that would set the price.
14 We'd reconcile in six months. Is that correct?

15 MR. WARSHAW: Correct.

16 CHAIRMAN GOLDNER: Okay. Okay, very
17 good.

18 Let's see. So, if -- let's just assume
19 for a moment that both Eversource and Liberty are
20 100 percent in the spot market for this cycle.
21 And we were to, at the end of the six months, we
22 were to look back, should we expect the price
23 that Liberty achieves to be the same as the price
24 as Eversource in that time period, if you're both

1 accessing the spot market at the same time?

2 MR. WARSHAW: No.

3 CHAIRMAN GOLDNER: And why not?

4 MR. WARSHAW: Liberty would have a
5 different load profile than Eversource would
6 have. They may have other products that they're
7 looking at. Their other pieces of the charges
8 might be a little different.

9 I mean, we would probably be similar,
10 but I wouldn't say we would have the same number.

11 CHAIRMAN GOLDNER: And would you be
12 able to suggest whether you would expect to be
13 higher or lower than Eversource?

14 I understand they're much larger and so
15 forth, but you're more clever. So, --

16 *[Laughter.]*

17 MR. WARSHAW: I couldn't tell you if we
18 would be higher or lower at this point.

19 CHAIRMAN GOLDNER: Okay. But is there
20 anything about the profile that would be
21 beneficial to Liberty? Or, are you sort of on
22 the wrong side of the equation with the lower
23 load?

24 MR. WARSHAW: Sometimes we're higher,

1 sometimes we're lower. It just, you know, it
2 just depends.

3 CHAIRMAN GOLDNER: Yes. Okay. All
4 right. We will probably compare that. So, we'll
5 see who wins.

6 Okay. Is there -- that was what I had.
7 Do the other Commissioners have any follow-on
8 questions?

9 CMSR. CHATTOPADHYAY: No.

10 CMSR. SIMPSON: No. Thank you, Mr.
11 Chairman.

12 CHAIRMAN GOLDNER: All right. Then,
13 let's circle back to the other parties, to see if
14 there's anything that they would like to follow
15 up on. Consumer Advocate, Attorney Kreis?

16 MR. KREIS: Nothing from me.

17 CHAIRMAN GOLDNER: Okay. And Attorney
18 Young?

19 MR. YOUNG: No questions at this time.
20 I do have just a brief statement I guess I could
21 read for the Department.

22 CHAIRMAN GOLDNER: Okay. Very good.
23 We can move to that phase, if that's okay,
24 Attorney Sheehan?

1 *[Atty. Sheehan indicating in the*
2 *affirmative.]*

3 CHAIRMAN GOLDNER: Okay. Let's begin
4 with the OCA, in case they have something,
5 Attorney Young, and then move to the Department.
6 Do you have any statement you'd like to make,
7 Attorney Kreis?

8 MR. KREIS: I would like to commend
9 Liberty for rising to the present difficult
10 occasion in a manner that I consider responsible
11 and thoughtful and appropriate for an
12 investor-owned electric distribution company in
13 the state.

14 I dare to cling to some degree of
15 optimism that maybe what we're looking at over
16 the next few weeks are a pair of solicitations
17 that will go much like the previous ones have
18 gone, despite all the concern. If that happens,
19 it will be great. If that doesn't happen, I
20 think Liberty is well poised to react in a manner
21 that is calculated to be in the best interests of
22 the Company's residential customers, to the
23 extent that's possible.

24 And I'm particularly heartened by the

1 fact that the Company is willing to think about
2 things like conducting a second solicitation, if
3 that becomes necessary. I understand why that
4 might be a difficult proposition. And I
5 understand why that might not work. But it is,
6 potentially, given the way this plays out, one
7 avenue that might need to be explored.

8 So, I'm looking forward to working with
9 Liberty on the remainder of this proceeding. And
10 I will do my best to publicly defend whatever the
11 ultimate outcome is. Because, to some degree,
12 those who are concerned and outraged think that
13 some of us in this room have the ability to walk
14 down to Hampton Beach and command the tide not to
15 come in; and, of course, we all know that's not
16 possible.

17 CHAIRMAN GOLDNER: That is my
18 experience as well.

19 Attorney Young.

20 MR. YOUNG: Thank you.

21 The Department acknowledges the
22 substantial volatility and uncertainty that
23 prevail in the current wholesale electricity
24 markets, and the related challenges facing

1 electric distribution utilities as they seek
2 suppliers for default service to retail
3 customers.

4 In many respects, the current
5 challenges are unprecedented. And we support
6 Liberty's efforts today to inform the Commission
7 of their contingency plans for handling any
8 issues that may arise in their procurement
9 process, with the hope that these contingencies
10 are not needed.

11 The Department expects to stay apprised
12 of any of the procurement process as it moves
13 forward in the coming weeks. At the moment, the
14 Department does not see any reason to deviate
15 from the normal default service procurement
16 procedures. However, that position could change,
17 based on any new developments.

18 With that, I'm happy to answer any
19 other questions.

20 CHAIRMAN GOLDNER: Thank you, Attorney
21 Young.

22 And Attorney Sheehan.

23 MR. SHEEHAN: Thank you.

24 I will pick up on what Mr. Young said.

1 We fully intend to follow the normal course.
2 And, not being a player, I'll have my fingers
3 crossed. Hopefully, others will have better ways
4 of making sure we have a good auction. But I
5 appreciated the opportunity to come in and tell
6 you what we could do in the bad outcome, if it
7 occurs.

8 We will be advising people, once
9 numbers start coming in, and doing our best to
10 keep everyone up to speed. So, if we have to
11 come in with a "failed auction" scenario, there
12 will be some warning.

13 Thank you.

14 CHAIRMAN GOLDNER: Thank you. And I
15 know -- I believe this is the last opportunity
16 we'll have to see Attorney Wiesner in this
17 hearing room. So, we would just like to say --
18 I'd like to say, on behalf of the Commission,
19 it's been a pleasure working with you, a
20 consummate professional, and we'll miss you in
21 this particular setting.

22 MR. WIESNER: Thank you, Mr. Chairman.
23 And I want to thank all the Commissioners for,
24 you know, your indulgence the many opportunities

1 I've had to address you over these last many
2 months.

3 And it is true, I am leaving to pursue
4 an opportunity in the private sector. And I'm
5 glad I had this final opportunity to address you
6 this afternoon.

7 Thank you.

8 CHAIRMAN GOLDNER: Thank you, Attorney
9 Wiesner.

10 Is there anything else that we need to
11 cover today?

12 CMSR. SIMPSON: I would just echo that.

13 I wish Attorney Wiesner well. It's been a
14 pleasure working with you over the last several
15 years.

16 And, you know, with respect to the
17 issues outlined here today, appreciate the
18 Company, I'm grateful for the witnesses that
19 you've brought here today, both from Empire and
20 Granite State Electric.

21 I'm hopeful that we don't run into a
22 situation where we have to find a second RFP and
23 a contingency in the market. But I appreciate
24 you being here and describing these steps to us

1 today. It's helpful.

2 MR. SHEEHAN: Thank you.

3 CHAIRMAN GOLDNER: You picked a fine
4 state to work with. Missouri is outstanding, and
5 that's where I'm from. So, it's an excellent
6 choice, Attorney Sheehan.

7 All right. Thank you, everybody. We
8 are adjourned.

9 ***(Whereupon the prehearing conference***
10 ***was adjourned at 2:03 p.m.)***

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