

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

January 18, 2023 - 1:30 p.m.
21 South Fruit Street
Suite 10
Concord, NH

RE: DE 22-073

UNITIL ENERGY SYSTEMS, INC.:

Petition for Approval of Investment
in and Rate Recovery of a Distributed
Energy Resource Pursuant to RSA 374-G.
(Prehearing 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. Unitil Electric Systems, Inc.:**
Patrick H. Taylor, Esq.
Matthew Campbell, Esq.

Reptg. Clean Energy New Hampshire:
Christopher Skoglund

Reptg. Residential Ratepayers:
Donald M. Kreis, Esq., Consumer Adv.
Benjamin Silver, Legal Resident
Office of Consumer Advocate

Reptg. New Hampshire Dept. of Energy:
Matthew C. Young, Esq.
Alexandra Ladwig, Esq.
Elizabeth Nixon, Dir./Electric Group
Heidi Lemay, Electric Group
(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. I'm Commissioner Goldner. I'm joined today by Commissioner Chattopadhyay and Commissioner Simpson.

We're here today for a prehearing conference in Docket 22-073, regarding Unitil Energy Systems' proposal to build a solar power installation in Kingston pursuant to the authority in RSA Chapter 374-G. The Commission's authority to convene a prehearing conference is derived from RSA 541-A:31, VI(c) and Puc 203.15(c). And the Commission would like to give the parties here today the opportunity to give their viewpoints regarding the scope and key issues of this proceeding.

An Order of Notice was issued by the Commission regarding this matter on December 21st, 2022, which notes the Commission must render a decision for the first phase of this matter by May 1st, 2023. This first phase is established at the request of the Company, along the lines of what was approved in Docket Number DE 09-137, and as approved by the

1 Commission in this proceeding's Order of Notice,
2 would be for the determination of whether the
3 Kingston Project is in the public interest under
4 the statutory criteria of RSA Chapter 374-G.

5 As a threshold matter, we would like to
6 acknowledge the Petition to Intervene by Clean
7 Energy New Hampshire. And we will address this
8 Petition to Intervene after taking appearances.

9 So, let's take appearances, beginning
10 with the Company.

11 MR. TAYLOR: Good afternoon,
12 Commissioners. Patrick Taylor, on behalf of
13 Unitil Energy Systems, Inc. With me today is
14 Matthew Campbell, our Senior Counsel.

15 CHAIRMAN GOLDNER: Okay. Very good.
16 And the Office of the Consumer Advocate?

17 MR. KREIS: Good afternoon, Mr.
18 Chairman, members of the Commission. I'm Donald
19 Kreis, the Consumer Advocate, here on behalf of
20 residential utility customers. With me today is
21 Benjamin Silver, he is our legal resident this
22 semester, from the very best law school in all of
23 New Hampshire, the University of New Hampshire's
24 School of Law.

1 CHAIRMAN GOLDNER: Very good. And the
2 New Hampshire Department of Energy?

3 MR. YOUNG: Good morning *[sic]*,
4 Commissioners. My name is Matt Young, appearing
5 on behalf of the Department of Energy. With me
6 today is Alexandra Ladwig, who will be serving as
7 co-counsel, and is one of the Department's newest
8 attorneys. We also have Heidi Lemay, who is a
9 Utility Analyst working on this docket, and Liz
10 Nixon, who is the Director of Electric.

11 CHAIRMAN GOLDNER: Very good. The
12 Commission has received a Petition for
13 Intervention in this docket from Clean Energy New
14 Hampshire. In keeping with the Commission's rule
15 on prehearing conferences and the State
16 Administrative Procedure Act, it's appropriate to
17 address this petition now.

18 I'll start briefly with the legal
19 standard for intervention. And, after hearing
20 from the Petitioner, Clean Energy, I'll ask the
21 other parties for their positions.

22 The Commission's Administrative Rule
23 Puc 203:17 directs the Presiding Officer to use
24 RSA 541-A:32 to rule on intervention requests.

1 Under the statute, there are two standards for
2 ruling petitions for intervention. First, there
3 is a review for a mandatory intervention; second,
4 there is a review for permissive intervention.
5 That's the extent of detail I'll get into today
6 describing the legal standard.

7 But we will now provide an opportunity
8 for the intervenor to give the reasons why they
9 should be granted intervenor status. So, Clean
10 Energy New Hampshire, would you like to make a
11 statement?

12 MR. SKOGLUND: Yes. Thank you, Chair
13 Goldner, and other members of the Commission. My
14 name is Chris Skoglund. I'm the Director of
15 Energy Transition with Clean Energy New
16 Hampshire. We are a statewide nonprofit
17 organization dedicated to strengthening New
18 Hampshire's economy as we transition to a clean,
19 efficient, and renewable energy system.

20 We represent the interests of
21 residential, business, municipal, and
22 manufacturing members from across the state.
23 That includes 34 municipalities, representing
24 more than 300,000 New Hampshire citizens, almost

1 20 percent of the state's population. We also
2 represent the interests of almost 20 solar
3 companies in the state.

4 Overall, we have a strong interest in
5 our members, as well as all New Hampshire
6 citizens, local governments, businesses, using
7 clean, affordable and abundant distributed
8 renewable energy resources.

9 As this is at the heart of the matter
10 related to this docket, we respectfully request
11 intervention status -- intervenor status.

12 Thank you.

13 CHAIRMAN GOLDNER: Thank you. And,
14 although we have not received any written
15 objections to this request to intervene, I'll ask
16 each of the parties whether they wish to make any
17 objections today, starting with the Company?

18 MR. TAYLOR: We are not going to object
19 to the Petition.

20 CHAIRMAN GOLDNER: Okay. Thank you.
21 And the Office of Consumer Advocate?

22 MR. KREIS: We agree with the Petition
23 and believe that Clean Energy New Hampshire
24 should be admitted as an intervenor.

1 CHAIRMAN GOLDNER: Thank you. And the
2 New Hampshire Department of Energy?

3 MR. YOUNG: No objections.

4 CHAIRMAN GOLDNER: Okay. Thank you.
5 Okay. Well, we appreciate the
6 discussion on intervention. We won't rule on
7 this immediately. But, as required by statute,
8 we will enter an order granting or denying the
9 Petition for Intervention, and specifying any
10 conditions on the intervention in the near
11 future.

12 We'll now give everyone the opportunity
13 to make an opening statement. Would the Company
14 like to begin?

15 MR. TAYLOR: Yes, Commissioners. Thank
16 you. I appreciate the time and the opportunity
17 today.

18 I should note, I didn't introduce all
19 the folks who are here with me today. You'll
20 notice we have all of the witnesses who submitted
21 testimony in the case are present, both for this
22 conference, as well as for the technical session
23 afterwards. We also have Tom Meissner, who is
24 our CTO, and Bob Hevert, who is our CFO, are also

1 with us today. And I just wanted to recognize
2 them before I start.

3 In 2008, the New Hampshire Legislature
4 created RSA Chapter 374-G, titled "Electric
5 Utility Investment in Distributed Energy
6 Resources". This law expressly carved out an
7 exception to the separation of power generation
8 and distribution services resulting from
9 electricity restructuring in the late 1990s,
10 allowing and encouraging electric distribution
11 utilities to invest in and own limited electric
12 generation equipment in the form of renewable and
13 clean distributed energy resources in the state.

14 The Legislature recognized that such
15 resources can increase overall energy efficiency
16 and provide energy security and diversity by
17 eliminating, displacing, or better managing
18 traditional fossil fuel energy deliveries from
19 the centralized bulk power grid, in keeping with
20 the objectives in New Hampshire's Renewable
21 Portfolio Standards law.

22 To achieve these benefits, the
23 Legislature determined that it is in the public
24 interest to stimulate investment in distributed

1 energy resources by electric public -- electric
2 public utilities. Specifically, the utility may
3 invest in, or own, distributed energy resources
4 on or interconnected to the electric distribution
5 system, subject to certain limitations and
6 requirements.

7 The enactment of RSA 374-G was
8 consistent with the state restructuring policy --
9 the restructuring policy principle, recognizing
10 that electric utilities should not be absolutely
11 precluded from owning small-scale distributed
12 energy resources as part of a strategy for
13 minimizing transmission and distribution costs.

14 Notwithstanding the clear legislative
15 intent to stimulate investment by utilities, the
16 provisions of RSA 374-G have been invoked
17 sparingly in the last fifteen years. Until
18 first proposed a series of small-scale projects
19 in 2009, and Liberty Utilities requested approval
20 of a Battery Storage Pilot Program eight years
21 later, in 2017.

22 So, the Company is, therefore, pleased
23 to now present to the Commission an innovative
24 utility-scale solar project that furthers the

1 Legislature's intent, and provides significant
2 direct and indirect benefits to customers, local
3 businesses, the Town of Kingston, and, more
4 broadly, the state.

5 This is a first-of-it's-kind project
6 for the State of New Hampshire, which lags most
7 other states, with respect -- in the country,
8 with respect to utility-scale distributed
9 generation and operation. And, as a general
10 matter, the state sees only about one percent of
11 its electric generation from solar generation,
12 and that's primarily from small-scale projects.

13 This Project that we're proposing to
14 the Commission is consistent not only with the
15 statutory intent of the Legislature expressed in
16 2008, but also the 2022 State Energy Strategy, in
17 that it is a cost-effective project that stands
18 on its own, in terms of providing economic
19 benefits, while supporting, among other things, a
20 safe, reliable, and resilient energy system,
21 achieves environmental protection and enables
22 economic growth.

23 The Project itself proposed by the --
24 the Project proposed by the Company is a 4.99

1 megawatt solar generating facility, with
2 single-axis tracking technology that adjusts the
3 panels during the course of the day to maintain
4 optimal positioning in relation to the Sun. This
5 technology maximizes energy production, and the
6 Company expects the Project's annual energy
7 output to average approximately 8,900
8 megawatt-hours over the length of the Project, at
9 an assumed capacity factor of 22 percent.

10 Unitil will operate the Project as a
11 load reducer, delivering electric generation
12 output directly to the Company's electric
13 distribution system. This will reduce the energy
14 that Unitil receives from the transmission system
15 to meet customer demand. Thereby, reducing
16 overall supply and transmission costs, and
17 offsetting distribution system losses.

18 Avoided supply and transmission costs
19 are not the only economic benefit that the
20 Project will deliver to customers. The Project
21 will generate revenues and credits from renewable
22 energy certificates, or RECs, which will flow
23 through to customers.

24 Moreover, the Project is eligible for

1 Energy Tax Credits, extended under the Inflation
2 Reduction Act of 2022. And this has been modeled
3 as a credit to customers, on a ratable basis over
4 the projected life of the facility, which further
5 supports the economic favorability of the
6 Project.

7 Unitil conducted a benefit-cost
8 analysis, estimating direct benefits and costs of
9 the Project over its projected 30-year life, and
10 calculating their present value using a discount
11 rate. The Company used its weighted average,
12 after-tax cost of capital as the discount rate,
13 consistent with the Commission's order in DE
14 09-137. The benefit-cost analysis shows a
15 present value of net direct benefits to customers
16 of approximately \$1.4 million, and a benefit-cost
17 ratio of 1.09, which supports a finding that the
18 Project is in the public interest.

19 The Company's analysis demonstrates
20 that the Project is beneficial to customers, even
21 when only direct benefits are considered.

22 Though, the Commission found that it is
23 appropriate to include indirect benefits in a
24 benefit-cost analysis for the purposes of

1 evaluating projects under 374-G, Unitil did not
2 need to do so in this case, given that the
3 Project stands on its own based solely on direct
4 benefits.

5 However, there are numerous
6 quantifiable indirect benefits, which serve only
7 to further support a "public interest" finding.
8 Unitil engaged Daymark Energy Advisors, a
9 well-known energy consultancy, with the expertise
10 in utility-scale solar projects, to conduct an
11 analysis of indirect benefits, and that analysis
12 is provided with the Company's filing. Daymark
13 estimated that the Project will deliver a present
14 value of approximately \$11.2 million in economic
15 benefits to the state.

16 Additionally, the Project can be
17 expected to support approximately 87 direct,
18 indirect, and induced jobs in the State of New
19 Hampshire through the Project's operational life.

20 Daymark also estimates \$1.8 million in
21 avoided emissions benefits, and approximately
22 \$567,000 in DRIPE, or Demand Reduction Induced
23 Price Effects benefits.

24 It must also be noted that the benefits

1 of the Company's proposed solar project will flow
2 to all customers, unlocking the benefits of solar
3 generation for customers who may not otherwise
4 possess the resources, financial or physical, to
5 invest directly in a solar project.

6 As I noted previously, a utility's
7 ability to own and invest in distributed energy
8 resources is subject to certain limitations and
9 evaluative criteria. A utility's ownership of an
10 individual generation project is capped at
11 5 megawatts. And, while a utility may own in or
12 invest in multiple electric generation
13 facilities, ownership is capped at 6 percent of
14 the utility's total distribution peak load in
15 megawatts. This proposed project does not exceed
16 the statutory size limitations.

17 Before a utility can recover the cost
18 of distributed energy resource investments under
19 RSA 374-G, it must demonstrate the investment,
20 and recovery of that investment through rates, is
21 in the public interest. RSA 374-G:5 sets forth
22 nine factors for the Commission's consideration
23 when making a "public interest" determination.
24 And the Company has addressed each of these

1 factors in the testimony supporting the Petition.

2 For the sake of time and efficiency,
3 I'm not going to recount all the ways in which
4 the Company meets each of the requirements, to
5 the extent that they're applicable, as that
6 analysis is presented in greater detail in our
7 filing. And suffice it to say, Unitil believes
8 it has presented more than sufficient evidence
9 supporting a finding that the Project is in the
10 public interest, and not simply because the
11 Project is beneficial and economical under the
12 Company's benefit-cost analysis, though that is a
13 critical factor. Unitil has also shown that the
14 Project will support the reliability, safety, and
15 efficiency of service on its system, that the
16 Project will deliver energy security,
17 environmental, economic, development -- energy
18 security, environmental, and economic development
19 benefits to the State of New Hampshire. And that
20 the Project will not negatively impact wholesale
21 electricity for energy service markets.

22 Unitil is using a competitive RFP
23 process to contain cost, and the Company has
24 employed, and expects to continue to employ, the

1 services of multiple local businesses in the
2 development of the Project. The Project will
3 also result in meaningful tax revenue to the Town
4 of Kingston.

5 And, as Commissioner Goldner already
6 noted, in DE 09-137, the Commission approved a
7 two-stage process for authorization and rate
8 recovery of a distributed energy resource project
9 under RSA 374-G, finding that such a process is
10 in the public interest. I won't walk through
11 that, as the Commission has already indicated
12 that it intends to follow that process. But the
13 process is consistent with RSA 374-G:3, which
14 authorizes recovery only of authorized and
15 prudently incurred investments. And it's also
16 just an efficient and reasonable way to ensure
17 that the company only invests in a project that's
18 in the public interest.

19 Unitil has requested a ruling on its
20 Petition within six months of the October 31st,
21 2022 filing date. Commissioner Goldner indicated
22 "May 1st", and I believe that's a Monday, because
23 the six months expires on a weekend.

24 To that end, we have circulated a

1 procedural schedule that will enable the parties
2 and the Commission to satisfy the six-month
3 timeline. We're in discussion with the Consumer
4 Advocate and the Department of Energy, and we
5 should be able to provide a proposed procedural
6 schedule to the Commission very shortly after
7 this prehearing conference today.

8 In closing, I'll note that Unitil has
9 experience in developing, constructing, and
10 operating distributed energy -- distributed
11 electric generation equipment. The Company's
12 affiliate, Fitchburg Gas & Electric Light
13 Company, developed a 1.3 megawatt solar
14 generating facility, consisting of over 3,700
15 solar panels on F.G. Fitchburg -- FG&E property,
16 in Fitchburg, Massachusetts.

17 The facility was approved by the
18 Massachusetts DPU, and commenced operation in
19 September 2017. And we've operated it as
20 designed since that time.

21 Unitil will leverage that experience,
22 as well as its expertise in engineering,
23 electrical design, and interconnection, to
24 efficiently develop the Kingston Project, control

1 costs, and deliver real benefits to its
2 customers, as well as the local/regional economy
3 in the state. It's our hope that the success of
4 this Project will stimulate additional solar
5 projects and investment in the State of New
6 Hampshire, and the further realization of
7 legislative purpose underlying RSA 374-G.

8 We look forward to working with the
9 parties in this case, and presenting this
10 innovative and beneficial Project to the
11 Commission for a finding that it's in the public
12 interest.

13 So, thank you for your time, and thank
14 you also for your patience. I know that was a
15 long statement.

16 CHAIRMAN GOLDNER: Thank you. And
17 let's move to the Office of the Consumer
18 Advocate.

19 MR. KREIS: Thank you, Mr. Chairman.

20 Let me clear and up front. The Office
21 of the Consumer Advocate is very keen on getting
22 to "yes" in this particular docket, and I just
23 want to explain briefly why that is. It's clear,
24 reading through RSA 374-G, that the public policy

1 of this state, does favor the development by our
2 distribution utilities of projects like this one.
3 This is probably a paradigm example of what the
4 General Court had in mind when it approved RSA
5 374-G.

6 And, to be perfectly candid, no utility
7 in this state is in a better position to execute
8 on a project like this than Unitil. It's a very
9 competently run utility, and it has experience
10 doing this exact kind of project, albeit in the
11 state to our south.

12 So, I think that we can and should
13 conclude this docket in a way that keeps faith
14 with the Legislature's expectation that the
15 Commission would rule within six months of the
16 Petition. And, so, as Mr. Taylor just indicated,
17 I am very confident that in short order, after
18 meeting today after the prehearing conference,
19 we'll be able to send you a procedural schedule
20 that you, the Commission, will readily approve.

21 Let me also just say, because I just
22 can't resist, that there's something in this
23 filing that I think the utility and its
24 consultants have really gotten right. And that

1 is that the report of the consultants at Daymark,
2 which appears as "Exhibit GPP-2", and, again, I'm
3 looking, I think, at Page 11 of that document,
4 applies a discount rate to indirect benefits of
5 "2.39 percent". And they picked "2.39 percent",
6 because that apparently is the yield on a
7 20-year, investment-class New Hampshire General
8 Obligation bond issued last year.

9 Well, I've been studying discount
10 rates. And what I discovered is that, basically,
11 you have to make up a number. And, you know,
12 here, these consultants have plucked out of thin
13 air a number that happens to correspond to that
14 20-year yield on a state-issued General
15 Obligation bond. That's great. I think 2.39
16 percent is there estimate of what a social
17 discount rate for the state is. And I agree that
18 that is the appropriate discount rate, or that's
19 the appropriate perspective from which to
20 calculate a discount rate. That's a pretty
21 plausible figure, and I'm glad to see it in the
22 Company's filing.

23 Here are the concerns that I have about
24 what the Company is proposing. Section 5 of the

1 statute, in Paragraph I, says "A New Hampshire
2 electric public utility may seek rate recovery
3 for its portion of investments in distributed
4 energy resources from the Commission by making an
5 appropriate rate filing." And, so, again, the
6 public policy of this state favors the
7 development of a project like this, and the
8 recovery of the cost of the project in rates.

9 But it doesn't say which rate, and it
10 certainly doesn't say that the Company is
11 entitled to a "risk-free investment". In fact,
12 the law of this state says the companies, the
13 utilities, don't ever get to make investments
14 that are guaranteed to be recovered by the
15 Company. There has to be some risk.

16 And what the Company appears to be
17 proposing here is, essentially, guaranteed cost
18 recovery by putting this asset into distribution
19 rates. Well, this is not part of its
20 distribution plant.

21 And, so, that raises two questions in
22 my mind. One is, "Did the Company correctly
23 calculate the direct benefits to ratepayers from
24 the Project?" Because many of those benefits

1 will flow only to customers who remain on the
2 utility's default service. But they're not
3 proposing to include this in their Default Energy
4 Service rate. They're proposing to include it in
5 their distribution rate. So, there's a
6 disconnect there that I need to think about, and
7 that I think the Commission needs to think about.

8 And then, the related question, of
9 course, is "Whether that is the right place for
10 rate recovery?" And I haven't been convinced of
11 that yet. And I'm openminded, happy to talk
12 about it with the Company, eager to address that
13 at hearing, and, ultimately, to see how you
14 address that question yourselves.

15 There are a smattering of other
16 questions and concerns, things I'm curious about,
17 things I think we need to clarify in the
18 Company's filing. But, as I said, I am confident
19 we can get all that done, in time to meet that
20 May 1 deadline, and even give you folks a few
21 weeks to write your order.

22 So, I think that's all I have to say by
23 way of an introductory peroration.

24 CHAIRMAN GOLDNER: Thank you. Let's

1 move to the New Hampshire Department of Energy.

2 MR. YOUNG: Thank you, Mr. Chairman.

3 At this time, the Department does not
4 have a position regarding whether the Project
5 meets the statutory requirements of RSA 374-G.

6 The Department has reviewed the filing,
7 and we look forward to working with the Company
8 to address relevant questions and clarify the
9 factual context for the record. To that end, the
10 Department has provided a list of preliminary
11 issues for today's technical session, and we look
12 forward to that discussion.

13 As Mr. Taylor and Mr. Kreis have
14 indicated in their remarks, we have had
15 preliminary conversations regarding a procedural
16 schedule prior to today's prehearing conference.
17 And the Department will endeavor to finalize that
18 schedule with all relevant parties.

19 CHAIRMAN GOLDNER: Thank you. And I'd
20 also like to extend an opportunity for an opening
21 statement from Clean Energy New Hampshire.

22 MR. SKOGLUND: Thank you, Commissioner.
23 At this time, Clean Energy New Hampshire has no
24 position.

1 CHAIRMAN GOLDNER: Okay. Thank you.

2 And let's move now then to Commissioner
3 questions, beginning with Commissioner Simpson.

4 CMSR. SIMPSON: Thank you, Mr.
5 Chairman. I only have a few questions at this
6 time.

7 First, I want to ask about the
8 nameplate capacity of the system, the 4.99
9 megawatts, which seems like a deliberate
10 selection. It's just under 5 megawatts. So, I'm
11 curious to hear how the Company came to determine
12 that as the appropriate size of this facility?
13 Was that due to land constraints? Is it due to
14 ISO-New England participation? Are there siting
15 reasons for that? Local zoning considerations?

16 And I open that up to anybody from the
17 Company.

18 MR. DUSLING: Yes. So, we limited the
19 size --

20 *[Court reporter interruption.]*

21 MR. DUSLING: Oh, sorry. Jacob
22 Dusling, Unitil.

23 So, we limited the size to 4.99
24 megawatts for various reasons. One is the

1 requirements of the RSA, which doesn't -- you
2 have to be under 5 megawatts. It's also an --
3 I'll call it an "unwritten limitation" from an
4 ISO approval process. Typically, anything under
5 5 megawatts is looked at a little differently
6 from an ISO perspective.

7 You know, the site that we're looking
8 at can accommodate the 4.99 megawatts. So,
9 economy of scale, the cost-benefit gets a little
10 better in that case.

11 So, in general, that's the reason
12 behind it.

13 CMSR. SIMPSON: Okay. Thank you. And
14 I understand the Petition to say that the Project
15 will not participate in the ISO-New England
16 market, and the Company will utilize the output
17 from the facility as load reduction, is that
18 correct?

19 MR. DUSLING: That is correct. And
20 that's another reason for the 5-megawatt.
21 Anything over 5-megawatt would not be able to
22 qualify as a load reducer.

23 CMSR. SIMPSON: And then, thinking
24 about the questions that the Consumer Advocate

1 raised, can you just touch on how the Company
2 would intend to transfer the output benefits to
3 all customers? What mechanism the Company would
4 foresee using?

5 MR. GOULDING: Chris Goulding, from
6 Unitil.

7 Yes. We had a couple different
8 mechanisms that the different benefits were going
9 to flow through. There was the REC benefits for
10 the REC proceeds. Those were intended to flow
11 back through the External Delivery Charge. And
12 then, the load reducer, it was going to reduce
13 load for all customers, so that would flow back
14 through the energy, default service, or
15 competitive supply rate.

16 In terms of the cost of the Project,
17 our intention was to include that as
18 a distribution -- in distribution rates. And
19 that's how we have modeled it in the bill
20 impacts.

21 CMSR. SIMPSON: So, the energy output
22 from the facility would go to reduce the
23 Company's default service supply obligation?

24 MR. GOULDING: I'm going to have to

1 hand this one off to Jeff Pentz.

2 CMSR. SIMPSON: Thank you.

3 MR. PENTZ: Good afternoon. Jeff
4 Pentz, Unitil.

5 So, because this generator, at 4.99
6 megawatts, you know, is eligible to be a load
7 reducer, and will be a load reducer, what that,
8 in effect, does is reduce the amount of energy
9 that is coming into the metering domain for
10 Unitil from the transmission system. And that
11 does not exclusively benefit default customers,
12 default service customers only. It benefits
13 customers, the wholesale cost for competitive
14 supply -- competitive suppliers as well.

15 So, that's why the direct benefits for
16 the avoided cost of energy will not just affect
17 default service customers, but all customers.
18 It's reducing the amount of energy that is then
19 purchased by wholesale suppliers.

20 CMSR. SIMPSON: So, those costs
21 would -- or, the benefits would be spread across
22 all of your customers, and would not have an
23 impact on the Company's default service
24 procurements, is that correct?

1 MR. PENTZ: That is correct.

2 CMSR. SIMPSON: Okay. Thank you.

3 And, then, purely procedural, the
4 Chairman noted that the Company has petitioned to
5 move forward in two phases. So, if the Company
6 were to receive Commission approval to develop
7 this Project, can you confirm that you would then
8 proceed with construction at that time?

9 MR. TAYLOR: That is correct.

10 CMSR. SIMPSON: Okay.

11 MR. TAYLOR: And then, we would
12 subsequently, as we have proposed in our
13 Petition, we would subsequently seek recovery of
14 the investment through base distribution rates in
15 a rate case, or a subsequent step adjustment.

16 CMSR. SIMPSON: Okay.

17 MR. SPRAGUE: Commissioner Simpson, if
18 I could just add to that?

19 CMSR. SIMPSON: Please.

20 MR. SPRAGUE: We are going through --
21 *[Court reporter interruption.]*

22 CMSR. SIMPSON: Just identify yourself
23 for the court reporter, please.

24 MR. SPRAGUE: Kevin Sprague. He

1 usually knows who I am, but he couldn't see him.

2 I will say that we are going through a
3 competitive bidding process. We have gone
4 through several rounds of that competitive
5 bidding process. So, we feel rather good about
6 our assumptions as to the cost of the Project.
7 However, through the final bid process, if the
8 costs come back such that the Project is no
9 longer a viable project, we would then, at that
10 point, have a decision to make, and probably
11 would not go forward, if it was not a beneficial
12 project to our customers.

13 CMSR. SIMPSON: Okay. And then, in
14 terms of the cost recovery component, I recall
15 from the Petition the Company stating that they
16 would wait until a subsequent electric base
17 distribution rate case for recovery. But I just
18 heard mention of a "step adjustment".

19 So, was that in the Petition? Did I
20 just miss it? Or, is that a new element to the
21 proposal?

22 MR. TAYLOR: No. That is something
23 that we included in our Petition.

24 CMSR. SIMPSON: Okay. So, can you

1 explain how you might make that decision, of
2 whether you would seek cost recovery in a step
3 prior to the Company's next base distribution
4 rate case?

5 And then, as a second question to that,
6 how would you treat the costs incurred, from a
7 regulatory perspective, whether lag between a
8 step or the next distribution rate case?

9 MR. TAYLOR: Sure. Well, as to the
10 first question, I think it comes down to timing,
11 when the Project goes into service and when we
12 submit our next base distribution rate case.
13 And, so, our current plan is, assuming the
14 Commission were to approve the Project as being
15 in the public interest, or make a "public
16 interest" determination prior to May 1 of this
17 year, that would then enable us to, ideally,
18 start construction this year.

19 And, so, it really, in terms of when we
20 were to try to put it into base distribution
21 rates, if the Project were, obviously, completed
22 within the test year, it would be able to be
23 included within base distribution rates. If the
24 timing didn't work out, we would seek to recover

1 it through a step adjustment.

2 CMSR. SIMPSON: Okay. I think I better
3 understand. You mean a step adjustment as per a
4 future distribution rate case, and not a step
5 adjustment per DE 21-030?

6 MR. TAYLOR: Oh, no. No.

7 CMSR. SIMPSON: Okay.

8 MR. TAYLOR: We're submitting that step
9 adjustment, I believe, next month.

10 CMSR. SIMPSON: Okay. That makes
11 sense.

12 MR. TAYLOR: You won't see any of this
13 Project.

14 CMSR. SIMPSON: Okay. Thank you.
15 Those are all the questions that I have at this
16 time. Thank you.

17 CHAIRMAN GOLDNER: Thank you. Let's
18 move to Commissioner Chattopadhyay.

19 CMSR. CHATTOPADHYAY: Good afternoon.

20 So, there was -- Attorney Taylor, you
21 went through a description of the benefits, *et*
22 *cetera*. So, there was a discussion about "tax
23 benefits", "tax credits". Can you give me a
24 sense of what are you exactly talking about?

1 MR. TAYLOR: Sure. Exactly, I'm going
2 to look behind me, and Andre Francoeur can give
3 you a better sense for that.

4 MR. FRANCOEUR: Thank you for the
5 question, Commissioner.

6 We anticipate, based on the advice of
7 some of the vendors during the RFP process, that
8 the solar facility would qualify for a 30 percent
9 Investment Tax Credit, and that's what we've
10 included in the financial modeling. And, per IRS
11 normalization, we would be required to flow back
12 that tax credit rateably over the life of the
13 utility property to the customers.

14 CMSR. CHATTOPADHYAY: And I can't even
15 pretend that I fully understand what you're
16 talking about. But these tax credits that you're
17 talking about, are they one-time or they're going
18 to be happening, you know, for years?

19 MR. FRANCOEUR: So, the Inflation
20 Reduction Act of 2022 opens a couple different
21 avenues. The one that's included in this
22 financial model that's been submitted is an
23 Investment Tax Credit, and that would be a
24 one-time tax credit, that would allow the Company

1 to offset tax liability with whatever the tax
2 credit that we calculate, which would be a
3 function of the capital investment.

4 From the customers' point of view, they
5 would receive the benefit of that, per IRS
6 normalization, rateably over, so, let's say the
7 project we've modeled is 30 years, we would flow
8 that credit back evenly over the 30-year life.

9 "IRS normalization" means that we are
10 intended to -- we have to provide the tax credit
11 back to customers over the life of -- similar to
12 like a depreciation expense, except it's a credit
13 to customers, if that makes sense?

14 CMSR. CHATTOPADHYAY: Yes. Thank you.
15 Did the Company try to get a sense of what the
16 benefit-to-cost ratio would be if you included
17 the indirect benefits?

18 MR. TAYLOR: We've --
19 *[Atty. Taylor and conferring with*
20 *Company representatives.]*

21 MR. TAYLOR: We had not done that
22 analysis. We felt that the direct -- the
23 benefit-cost analysis using solely the direct
24 benefits showed that the Project stood on its

1 own.

2 The indirect benefits, we didn't model
3 them. You know, some of those benefits, which
4 are quantified, aren't necessarily benefits that
5 flow directly to customers. They may be more
6 broad, in terms of, for example, avoided
7 emissions. So, it wouldn't necessarily be an
8 exact match, in terms of the model that we did.
9 And, so, I think we're presenting the indirect
10 benefits just as some additional benefits that
11 are clearly going to, we believe, clearly flow
12 from the program, and just further show the
13 advantageousness of the Project.

14 So, at this time, we have not included
15 them in the benefit-cost model that we have.

16 CMSR. CHATTOPADHYAY: So, if the cost
17 of the Project ends up being more than what you
18 have estimated right now, 10 percent higher than
19 that, then the benefit-to-cost ratio would be
20 lower than one, wouldn't it? Just the way you
21 have looked at it at this point?

22 MR. TAYLOR: I wouldn't want to say
23 that it would -- so, you've given an example of,
24 "if the costs were 10 percent more, would it

1 cause the benefit-cost ratio to go below one?" I
2 don't know that that's the case. So, I wouldn't
3 want to speculate on that.

4 You know, as Mr. Sprague said, you
5 know, if the cost of the Project, you know, was
6 such that it caused the Project to not be
7 economical, then we would have a decision to
8 make.

9 But, as we've currently modeled it, it
10 is economical.

11 CMSR. CHATTOPADHYAY: And would you be
12 deciding that on the basis of the direct
13 benefits?

14 *[Atty. Taylor and conferring with*
15 *Company representatives.]*

16 MR. TAYLOR: I think, if that were the
17 case, you know, it's a decision that we would
18 have to make and go back and look at our
19 modeling. You know, it may be at that time that
20 we would want to take a look at the indirect
21 benefits as well, and how that might interact
22 with the benefit-cost analysis. But that's just,
23 really, speculation.

24 I think, at this point, we have a

1 project before us, based on some good
2 information. You know, we've done some very
3 robust modeling. And the Project that we're
4 bringing to you right now is one that is
5 favorable and viable.

6 CMSR. CHATTOPADHYAY: I think I heard
7 the capacity factor, of course, it's in the
8 testimony as well, is you assumed it to be "22
9 percent"?

10 MR. TAYLOR: Correct.

11 CMSR. CHATTOPADHYAY: Where did that
12 assumption come from?

13 MR. TAYLOR: I'm going to give that
14 over to Mr. Sprague and Mr. Dusling.

15 MR. DUSLING: Jacob Dusling. That's
16 the capacity factor in year one of the facility,
17 and that same from a pretty extensive RFI/RFP
18 process and information from vendors. So, we
19 based the filing on a specific RFP response from
20 EDF Renewables, and that was -- they gave us that
21 anticipated annual energy production that that
22 capacity factor is based on.

23 CMSR. CHATTOPADHYAY: Have you tested,
24 if that capacity factor actually varies, what

1 happens to the benefit-to-cost ratio? Did you
2 conduct any sensitivity analysis?

3 And let me just add that, with respect
4 to the costs, as I understand it, if you find
5 that the costs are higher than the benefits, then
6 you have a decision point where you can decide
7 "We will not go ahead with this Project." Right?

8 MR. TAYLOR: Yes.

9 CMSR. CHATTOPADHYAY: But, to clarify,
10 I'm not asking about cost-based sensitivity. I'm
11 just curious, whether you have considered, you
12 know, what happens with the capacity factor, if
13 that doesn't pan out to be 22 percent? Did you
14 do any analysis?

15 MR. SPRAGUE: As we were pulling
16 together this filing over the past year, we've
17 done a lot of different sensitivities. There are
18 a lot of different assumptions in the model.
19 We've tried to base those assumptions on facts.
20 And, as we did each of those, we did run it
21 through sensitivities.

22 We believe that the model that's been
23 provided is a conservative model. We don't think
24 that we're, you know, pushing the envelope in any

1 means in order to make it a profitable -- or, a
2 beneficial project. It's, you know, we tried to
3 be conservative. We have tried to make the
4 Project stand on its own two feet. That's one of
5 the reasons why we did not include the indirect
6 benefits.

7 So, at the -- between that -- if the
8 Commission were to approve this first phase, but
9 sometime between that point and when we start the
10 Project, there's going to be an update of that
11 model. You know, what's changed? We have better
12 pricing information. We might have better
13 information on interest rates, discount rates, or
14 other inputs that we're putting into the model.
15 And all of those will go into the decision on
16 whether to go forward or not.

17 CMSR. CHATTOPADHYAY: In your
18 testimony, Mr. Kevin Sprague, you had mentioned,
19 I think it's Page 10 of 34, you don't have to
20 look at it, I'll just -- so, you talked about the
21 "Sawyer Passway Project". Hopefully, I'm
22 pronouncing the name correctly. That project
23 went to operations November 22nd, 2017. Are you
24 tracking what the capacity factor is?

1 MR. SPRAGUE: Yes.

2 CMSR. CHATTOPADHYAY: Can you give me a
3 sense of --

4 MR. SPRAGUE: That capacity factor is
5 between 16 and 17 percent. But I will say it's
6 not an exact duplicate of what we're proposing
7 here.

8 So, that project is fixed-panel,
9 meaning it faces one way all day. What we're
10 proposing is a tracking model, which will have an
11 effect of increasing the capacity factor.

12 CMSR. CHATTOPADHYAY: You did say
13 something like "it's been operating as designed."
14 Can you elaborate? What do you mean by that "as
15 designed"? It's doing what it's meant to do?

16 MR. SPRAGUE: So, meaning that it's
17 producing the amount of power that it was
18 designed to export.

19 CMSR. CHATTOPADHYAY: So, would you be
20 able to confirm that that 16 or 17 percent that
21 you mentioned was what you had projected when you
22 first requested the Massachusetts DPU to approve
23 this?

24 MR. SPRAGUE: I believe so. I believe

1 we can --

2 CMSR. CHATTOPADHYAY: Okay.

3 MR. SPRAGUE: I believe we could show
4 that. It is something that we -- that the
5 Department and the Attorney General's Office is
6 keen to keep an eye on. So, they do ask those
7 questions.

8 CMSR. CHATTOPADHYAY: I think that's
9 all I have. Thank you.

10 CHAIRMAN GOLDNER: Okay. I just have a
11 couple of questions for the Engineering
12 Department and a couple for the Finance
13 department.

14 So, the first question for the
15 Engineering Department is that, and I think I'll
16 address it to Mr. Sprague, is the 30-year time
17 window, my understanding of solar cells is they
18 often don't last 30 years. Is that given
19 assumption that you're going to use the same
20 cells for all 30 years?

21 MR. SPRAGUE: So, that assumption is
22 based upon the warranty period that the providers
23 are giving to us. In our model, we are modeling
24 a half a percent reduction in output every year.

1 CHAIRMAN GOLDNER: Linear?

2 MR. SPRAGUE: Yes. So, we are taking
3 that into consideration as we're modeling it over
4 that 30-year timeframe.

5 CHAIRMAN GOLDNER: Okay. And any -- on
6 the motors, to change the direction of the
7 mirrors and stuff, have you thought through any
8 replacement costs or maintenance costs for those
9 pieces?

10 MR. SPRAGUE: So, we have costs in the
11 model to replace the inverters. Those are
12 typically computer-based type of equipment. We
13 are replacing those in the 15-year timeframe.

14 Okay. As for the motors, we haven't
15 proposed in the model replacement for those, but
16 we have modeled a maintenance contract to keep
17 those in operation --

18 CHAIRMAN GOLDNER: Okay.

19 MR. SPRAGUE: -- throughout the
20 lifetime.

21 CHAIRMAN GOLDNER: Okay. Thank you.

22 And then, in terms of how these things
23 are grounded, not in the electrical sense, but in
24 the mechanical sense, there's typically, right,

1 some big cement blocks underneath, correct?

2 MR. SPRAGUE: So, there's a couple of
3 different ways you can do it. You can ballast
4 them, which are the big -- you know, essentially
5 set them on the ground with a big, weighted
6 cement pier. The other way to do it is actually
7 to anchor them into the ground.

8 So, we've allowed the vendors to
9 propose a solution. That's going to be one of
10 the evaluation points. Obviously, the anchor
11 solution will result in potentially less wetland
12 impact and less rainwater runoff that we need to
13 deal with. So, that is -- we are going to look
14 at the different types of foundations that will
15 be proposed.

16 CHAIRMAN GOLDNER: And I assume, I
17 didn't see it in the filing, but I assume that
18 there's remediation costs included? So, taking
19 the land back to what it was before at the end of
20 the 30 years? What happens at the end of 30
21 years, I guess?

22 MR. SPRAGUE: So, I think -- I believe
23 our assumption in our model is it's going to last
24 longer than 30 years. But, from a net present

1 value standpoint, any reclamation at that time is
2 kind of negligent now. But we don't --

3 CHAIRMAN GOLDNER: I think you mean
4 "negligible"?

5 MR. SPRAGUE: "Negligible", sorry.

6 CHAIRMAN GOLDNER: I was going to let
7 you run with it, but --

8 MR. SPRAGUE: Yes. I appreciate that.

9 Yes. We assume that this is going to
10 last longer than 30 years. And, at the end of
11 30 years, we're not going to pull all this out
12 and turn it back into field and forests, like it
13 is now.

14 CHAIRMAN GOLDNER: Okay. And just,
15 when we come back and we look at this, I think
16 the Commission would want to understand, if you
17 have a 30-year plan, it should be a 30-year plan.
18 So, if it doesn't go back and it's a longer plan,
19 then what does that look like, because then you
20 would have to replace a lot of things at 30
21 years?

22 And, so, I'm just suggesting to be
23 thoughtful about what the total picture looks
24 like. And the remediation piece would be

1 something to think about, in terms of how you
2 look at that 30-year -- 30-year period. Because
3 I don't know if it would be negligible, depending
4 on -- I don't know the flavor of what the land
5 looks like.

6 In the Midwest, you know, a lot of
7 times they will take very high-quality farmland,
8 because it's always on the ridgetops, because,
9 obviously, you want your solar arrays to be as
10 high up as possible. And then, you destroy, you
11 know, excellent farmland, and there's nothing you
12 can do to remediate it at the end. So, it
13 becomes a pretty big issue.

14 So, I don't know what the topography
15 looks like here, but that remediation piece would
16 be important for us to hear about, I think, when
17 we come back.

18 Okay. So, let's --

19 CMSR. SIMPSON: Can I just make one
20 comment in line with that?

21 CHAIRMAN GOLDNER: Sure.

22 CMSR. SIMPSON: I think one of the
23 prongs of the statute, at 374-G:5, I(b), requires
24 "A discussion of costs, benefits, and risks".

1 And the "risks" piece is one element that I
2 think, in our initial review, we wondered about
3 how that might be quantified and addressed.

4 So, I think the Chair's question about
5 "lifetime" and "what does the remediation or
6 recycling of these components look like?", it
7 might be helpful to outline some of that in a
8 future supplement, looking at the risk piece --

9 CHAIRMAN GOLDNER: Yes. Yes. Heavy
10 metals on a solar array and such.

11 CMSR. SIMPSON: -- and sensitivity.

12 CHAIRMAN GOLDNER: Yes.

13 CMSR. SIMPSON: Thanks.

14 CHAIRMAN GOLDNER: Thank you. Okay.

15 That's a good segue over to the
16 financial piece. The Consumer Advocate brought
17 this up earlier, and now I'm confused. So, I'm
18 hopeful that the Finance team can help untangle
19 this.

20 So, I had thought that you were using a
21 discount rate of "6.71 percent" to calculate the
22 PV. The Consumer Advocate mentioned a number of
23 2 something percent. Can somebody help me
24 understand what the discount rate is in this

1 analysis?

2 MR. TAYLOR: Well, the Finance folks
3 are certainly more versed than I am. Just I
4 think what I heard the Consumer Advocate to point
5 out is that the indirect benefits were quantified
6 by Daymark using the discount rate you just
7 mentioned.

8 CHAIRMAN GOLDNER: I see.

9 MR. TAYLOR: That's not the discount
10 rate that the Company used. But I will let Todd
11 and Andre address that.

12 CHAIRMAN GOLDNER: Okay. They were
13 nodding violently in agreement.

14 *[Laughter.]*

15 MR. KREIS: That was the point I was
16 making, Mr. Chairman. I was referring to the
17 indirect benefits.

18 CHAIRMAN GOLDNER: The indirect
19 benefits. Thank you. Thank you, Attorney Kreis.
20 That is helpful.

21 And then, what is the current estimate
22 for kind of the all-in cost? So, everything?
23 So, land purchase, solar arrays, little motors
24 inverters, the whole thing?

1 And the reason I'm asking the question
2 is that, you have estimated a PV of about 1.4
3 million, pardon me, of direct benefits, which is
4 probably small, relative to the total investment.
5 So, which means that this "risk" question that
6 the other Commissioners were asking about becomes
7 very relevant. Because, if you're off by just a
8 little bit in your calculation, you go PV
9 negative, right?

10 So, maybe somebody can comment on that?
11 In other words, what's the total cost of all-in
12 cost, and then how does that relate to the PV
13 number?

14 MR. FRANCOEUR: The total capital
15 cost -- and this is Andre Francoeur, for the
16 record. The total capital cost of the facility
17 is 14.1 million, rounded. And the total land
18 improvements and land acquisition costs that
19 we've modeled in this project are \$1.6 million.

20 CHAIRMAN GOLDNER: So, we're talking
21 about something like an all-in cost of 16 million
22 or so. And then, a PV, right now, based on your
23 cost of capital, direct PV return on that
24 investment would be about 1.4 million, is that

1 correct?

2 *[Mr. Francoeur indicating in the*
3 *affirmative.]*

4 CHAIRMAN GOLDNER: Okay.

5 MR. FRANCOEUR: That's correct.

6 CHAIRMAN GOLDNER: So, my encouragement
7 would be, as, you know, as everyone goes off to
8 talk about it, is to sort out the "risk" piece of
9 this. And, if the 1.4 is safe or the 1.4 is
10 risky, and just looking at that total picture.

11 Ideally, you would see something a
12 little bit more, a larger positive number there
13 to get more comfortable.

14 CMSR. SIMPSON: Can I add one thing to
15 that?

16 CHAIRMAN GOLDNER: Of course, yes.

17 CMSR. SIMPSON: It would be interesting
18 to understand where you were conservative in your
19 modeling. Given the assumptions that you're
20 making, what assumptions were conservative?
21 Which were not so conservative? Which do you
22 think are really true to what you expect during
23 the procurement and construction and operation
24 processes?

1 That would be helpful. Thank you.

2 CHAIRMAN GOLDNER: Yes, certainly.

3 Certainly, the direct cost is very interesting to
4 the Commission, because that's really, in the
5 end, money is going in, money is going out, so,
6 to ratepayers's benefit or not benefit. So, that
7 direct piece is very important. So, I appreciate
8 you're taking that as sort of the primary view.
9 Not that other views can't be useful or helpful,
10 but that, certainly, the ratepayer view would
11 certainly be a very important one.

12 And then, and the numbers that you were
13 talking about, the "14.1 million" and the "1.6",
14 is that after the Investment Tax Credit or
15 before?

16 MR. FRANCOEUR: That's before the tax
17 credit.

18 CHAIRMAN GOLDNER: Before the tax
19 credit. So, the tax credit, just to make sure I
20 don't invert this late in the afternoon, it would
21 be 16 million, times 0.7, would be what you would
22 actually -- that would be actually the money flow
23 out?

24 MR. FRANCOEUR: The land improvement

1 and land acquisition costs are ineligible --

2 CHAIRMAN GOLDNER: Are ineligible.

3 MR. FRANCOEUR: -- for the Investment
4 Tax Credit.

5 CHAIRMAN GOLDNER: Okay. So, it would
6 be 14.1, times 0.7, would be the money out of
7 Unitil?

8 MR. FRANCOEUR: Net.

9 CHAIRMAN GOLDNER: Net. Net.

10 MR. FRANCOEUR: That's correct. And
11 I'd also add that, you know, we're continuing to
12 investigate the best way for us to monetize the
13 potential avenues of the Inflation Reduction Act.
14 When we filed this, we -- the Inflation Reduction
15 Act, as you know, was quite new. And we filed
16 this Investment Tax Credit the same way that we
17 filed it with our Massachusetts solar project,
18 which was something we're very comfortable in.
19 But we continue to investigate other avenues that
20 might potentially further de-risk this Project,
21 to your point.

22 CHAIRMAN GOLDNER: Okay. Okay, thank
23 you. And I just -- I just want to -- I'm sorry
24 for coming back to the math one last time. But,

1 when you did the PV calculation, you used about
2 10 million for the non-land costs and about
3 1.6 million for the land costs to do the PV
4 calculation. I just want to make sure I
5 understand how you dealt with the tax credit?

6 Does that make sense? So, 14, times
7 0.7, is about 10 million.

8 I'm just -- yes, you know what I'm
9 trying to ask? I'm trying to ask how you did the
10 PV calculation? What's in and what's out in the
11 PV calculation? I'm not quite clear.

12 MR. FRANCOEUR: Let me try and say it
13 in a different way, --

14 CHAIRMAN GOLDNER: Thank you.

15 MR. FRANCOEUR: -- and maybe we can
16 connect in the middle here.

17 CHAIRMAN GOLDNER: Thank you.

18 MR. FRANCOEUR: The revenue requirement
19 reflects the cost -- the entire economic model is
20 from the vantage point of our customers. So, the
21 costs out -- the net cost is -- reflects the
22 discounted cash flows of the revenue requirement.
23 So, in the revenue requirement, there's a few
24 components that are quite typical. But the rate

1 base is not lowered for the Investment Tax
2 Credit. It's not netted down, the CapEx isn't
3 netted down. The revenue requirement includes,
4 like we discussed earlier, that separate line
5 item, which reflects the flowback of the
6 Investment Tax Credit. Does that --

7 CHAIRMAN GOLDNER: Yes.

8 MR. FRANCOEUR: Does that help?

9 CHAIRMAN GOLDNER: I understand. Okay.

10 Okay, very good. I think that was all
11 I had.

12 Do the other Commissioners have any
13 additional questions?

14 *[Cmsr. Simpson indicating in the*
15 *negative.]*

16 CMSR. CHATTOPADHYAY: No.

17 CHAIRMAN GOLDNER: Okay. Very good.

18 I'll just ask then, are there any other
19 matters that require our attention today, before
20 you go off to the technical session?

21 *[Multiple parties indicating in the*
22 *negative.]*

23 CHAIRMAN GOLDNER: No. Okay. Well, I
24 appreciate the help with the Commissioners'

1 questions today. That was very helpful.

2 Thank you, everyone. And we are

3 adjourned.

4 ***(Whereupon the prehearing conference***
5 ***was adjourned at 2:27 p.m., and a***
6 ***technical session was held thereafter.)***

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