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E X H I B I T S

EXHIBIT NO.	D E S C R I P T I O N	P A G E N O .	
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4	1	Petition for Approval of Investment in and Rate Recovery of a Distributed Energy Resource Pursuant to RSA 374-G {CONFIDENTIAL & PROPRIETARY}	<i>premarked</i>
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7	2	Petition for Approval of Investment in and Rate Recovery of a Distributed Energy Resource Pursuant to RSA 374-G <i>[REDACTED - For PUBLIC Use]</i>	<i>premarked</i>
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10	3	Corrected Bates Page 000060 of Jacob S. Dusling Testimony	<i>premarked</i>
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12	4	Joint Supplemental Testimony of Kevin E. Sprague, Jacob S. Dusling, Andre J. Francoeur, Todd R. Diggins, Christopher J. Goulding, and Jeffrey M. Pentz, with attachments {CONFIDENTIAL & PROPRIETARY}	<i>premarked</i>
13			
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16	5	Joint Supplemental Testimony of Kevin E. Sprague, Jacob S. Dusling, Andre J. Francoeur, Todd R. Diggins, Christopher J. Goulding, and Jeffrey M. Pentz, with attachments <i>[REDACTED - For PUBLIC Use]</i>	<i>premarked</i>
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20	6	Corrected Bates Page 33 of Supplemental Testimony of Kevin E. Sprague, Jacob S. Dusling, Andre J. Francoeur, Todd R. Diggins, Christopher J. Goulding, and Jeffrey M. Pentz	<i>premarked</i>
21			
22			
23	7	Testimony of Mark P. Toscano and Elizabeth R. Nixon, with attachments	<i>premarked</i>
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E X H I B I T S (continued)

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
8	Joint Letter Supporting the Petition	<i>premarked</i>
9	Updated Supplemental Report on Indirect Benefits	<i>premarked</i>

P R O C E E D I N G

1
2 CHAIRMAN GOLDNER: Okay. Good morning.
3 I'm Commissioner Goldner. I'm joined today by
4 Commissioners Simpson and Chattopadhyay. We're
5 here today for a hearing in Docket 22-073
6 regarding Unutil Energy Systems' proposal to
7 build a solar power installation in Kingston,
8 pursuant to the authority in RSA 374-G. An Order
9 of Notice was issued by the Commission regarding
10 this matter on December 21st, 2022, which notes
11 that the Commission must render a decision for
12 the first phase of this matter by May 1st, 2023.

13 This first phase is established at the
14 request of the Company along the lines of what
15 was approved in Docket Number DE 09-137, and as
16 stated by the Commission in its Order of Notice,
17 would be for the determination of whether the
18 Kingston Project is in the public interest under
19 the statutory criteria of RSA Chapter 374-G.

20 We note that the Company filed two
21 supplemental testimonial presentations on
22 February 1st, 2023 and February 27th, 2023; did
23 an updated supplemental report on indirect
24 benefits on March 31st, 2023; together with the

1 joint letter supporting the Petition signed by
2 the representatives of all parties to this docket
3 on March 23rd, 2023.

4 At this time, we'll take appearances,
5 beginning with the Company.

6 MR. CAMPBELL: Good morning,
7 Commissioners. Matt Campbell, on behalf of
8 Unitil Energy Systems, Incorporated. And I'm
9 also joined today by Attorney Patrick Taylor,
10 Chief Regulatory Counsel for the Company.

11 CHAIRMAN GOLDNER: Thank you. Clean
12 Energy New Hampshire?

13 MR. SKOGLUND: Chris Skoglund, Director
14 of Energy Transition, with Clean Energy New
15 Hampshire.

16 CHAIRMAN GOLDNER: Very good. The
17 Office of the Consumer Advocate?

18 MR. CROUSE: Good afternoon *[sic]*. My
19 name is Michael Crouse. Unfortunately, while Don
20 is in Barcelona, you are all stuck with me today.

21 CHAIRMAN GOLDNER: Excellent,
22 Mr. Crouse. Welcome. And the New Hampshire
23 Department of Energy?

24 MR. YOUNG: Good morning,

1 Commissioners. Matthew Young, on behalf of the
2 Department of Energy. And with me today is
3 Alexandra Ladwig, who is the co-counsel in this
4 matter; as well as Liz Nixon, who is the Electric
5 Director at the Department of Energy; and Mark
6 Toscano, who is a Utility Analyst working on this
7 docket.

8 CHAIRMAN GOLDNER: Very good. Okay.

9 Unitil filed a motion -- is there
10 anyone else here today, just checking? I don't
11 think so.

12 *[No indication given.]*

13 CHAIRMAN GOLDNER: Okay. Unitil filed
14 a Motion for Confidential Treatment regarding
15 certain data filed during the pendency of this
16 proceeding. No indication of the other parties'
17 positions regarding this motion were provided
18 by -- by Unitil, and the ten-day objection period
19 has not run yet. So, we'll take this motion
20 under advisement, and issue a ruling regarding
21 the Company's motion within the final order on
22 this phase of the matter, expected by or on
23 May 1st, 2023.

24 As an initial matter, we'll ask that

1 the non-utility parties give -- provide their
2 position regarding the Company's Motion for
3 Confidential Treatment. During this hearing --
4 I'm sorry, I've got an issue here. Just a
5 moment.

6 Okay. Strike that. During this
7 hearing, to meet our obligations under Puc Rule
8 203.08, we'll ask the witness to signal to the
9 court reporter when material for which
10 confidential treatment has been sought is to be
11 discussed. If there are any members of the
12 public present, we'll ask them to recess this
13 hearing during such segments. Are there any
14 members of the public here today?

15 *[No indication given.]*

16 CHAIRMAN GOLDNER: No? Okay.

17 Okay. Regarding witnesses and
18 exhibits, we note that the Company filed a letter
19 proposing a joint list on April 4th. And we
20 presume that the proposed substitution of Carrie
21 Pierce, from Daymark Advisors -- sorry again.
22 What's Carrie's last name?

23 MR. CAMPBELL: Gilbert.

24 CHAIRMAN GOLDNER: Gilbert.

1 MR. CAMPBELL: Correct.

2 CHAIRMAN GOLDNER: Yes. Thank you. A
3 screw up there.

4 The substitution of Carrie Gilbert from
5 Daymark Advisors by Kevin Pierce from Daymark
6 Advisors has been assented to by all parties as
7 well. And, therefore, we'll approve it, if we
8 hear no objection?

9 *[No indication given.]*

10 CHAIRMAN GOLDNER: Okay.

11 MR. YOUNG: No objection.

12 CHAIRMAN GOLDNER: No objection. Okay,
13 then, it's approved.

14 It's our expectation that the Company's
15 witness panel will appear first, with leave for
16 friendly cross from other parties, followed by
17 Commission questioning, then redirect, followed
18 by the Department of Energy witness panel with
19 the same sequence.

20 Any concerns with that approach?

21 MR. CAMPBELL: No concerns.

22 CHAIRMAN GOLDNER: Okay.

23 MR. YOUNG: No concerns, no.

24 CHAIRMAN GOLDNER: Okay. Next, do the

1 parties wish to make a closing statement at the
2 conclusion of today's hearing or would they like
3 for the March 23rd support letter to stand on its
4 own? Beginning with the Company.

5 MR. CAMPBELL: The Company has a
6 closing statement, yes.

7 CHAIRMAN GOLDNER: Okay. Very good.
8 Clean Energy New Hampshire?

9 MR. SKOGLUND: I, unfortunately, will
10 not likely be here at the end of the hearing.
11 So, I would have to forgo any closing statement
12 then.

13 CHAIRMAN GOLDNER: Okay. Consumer
14 Advocate?

15 MR. CROUSE: No closing statement.
16 Thank you.

17 CHAIRMAN GOLDNER: Okay. And the
18 Department?

19 MR. YOUNG: The Department of Energy
20 just has brief remarks for the closing.

21 CHAIRMAN GOLDNER: Okay. So, we'll
22 have two closings, and we'll go from there.

23 Okay. I see that there are six
24 proposed exhibits for this proceeding, with

1 proposed Exhibits 1 and 4 requested for
2 confidential treatment pursuant to 203.08.

3 And I'll just check in now to see if
4 there are any other preliminary matters, before
5 we invite the Company witnesses to be sworn in by
6 the court reporter? Any other issues?

7 *[No verbal response.]*

8 CHAIRMAN GOLDNER: Seeing none.

9 MR. YOUNG: I do believe there were
10 nine exhibits filed.

11 CHAIRMAN GOLDNER: Yes. I think that's
12 true, Mr. Young. Mr. Speidel?

13 MR. SPEIDEL: I'm looking at the
14 docket. There are nine.

15 CHAIRMAN GOLDNER: Nine, yes.

16 MR. CAMPBELL: Nine total, two of which
17 are confidential.

18 CHAIRMAN GOLDNER: Okay. Thank you.
19 Yes, see if I show nine on my screen. Okay.
20 Yes, I see nine exhibits, with two confidential.

21 Okay. Very good. So, let's --
22 Mr. Patnaude, if you could please swear in the
23 witnesses.

24 (Whereupon **Kevin E. Sprague, Jacob S.**

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 **Dusling, Andre J. Francoeur, Todd R.**
2 **Diggins, Christopher J. Goulding,**
3 **Jeffrey M. Pentz, and Kevin R. Pierce**
4 were duly sworn by the Court Reporter.)

5 CHAIRMAN GOLDNER: Okay. And we'll
6 begin with Unutil direct.

7 MR. CAMPBELL: So, I'm going to start
8 on my left with Mr. Straying.

9 **KEVIN E. SPRAGUE, SWORN**

10 **JACOB S. DUSLING, SWORN**

11 **ANDRE J. FRANCOEUR, SWORN**

12 **TODD R. DIGGINS, SWORN**

13 **CHRISTOPHER J. GOULDING, SWORN**

14 **JEFFREY M. PENTZ, SWORN**

15 **KEVIN R. PIERCE, SWORN**

16 **DIRECT EXAMINATION**

17 BY MR. CAMPBELL:

18 Q Mr. Sprague, could us please state your name,
19 employer, the position that you hold with the
20 Company, and your responsibilities in that
21 position?

22 A (Sprague) Yes. My name is Kevin Sprague. I am
23 the Vice President of Engineering for Unutil
24 Service Corp. And, in that position, I have

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 responsibility of all of the engineering-related
2 matters for the Company.

3 Q Mr. Sprague, Hearing Exhibit 1 is the Company's
4 initial filing in this case. And included in
5 this exhibit is the prefiled testimony that you
6 sponsored. Was that testimony prepared by or
7 under your direction?

8 A (Sprague) Yes, it was.

9 Q And do you have any corrections to your direct
10 testimony that you wish to make on the stand
11 today?

12 A (Sprague) Not at this time.

13 Q And, if you were asked the same questions in your
14 direct testimony today, would your answers be the
15 same?

16 A (Sprague) Yes, they would.

17 Q Do you adopt your written testimony, subject to
18 the changes in subsequent filings, as your sworn
19 testimony in this case?

20 A (Sprague) I do.

21 Q And, Mr. Sprague, Hearing Exhibit 2 [Exh. 4?] is
22 the Company's supplemental filing in this case.
23 And included in this exhibit are the testimony
24 and supporting attachments that you co-sponsored

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 with Mr. Dusling, Francoeur, Diggins, Goulding,
2 and Pentz. Was that joint testimony prepared by
3 you or under your direction?

4 A (Sprague) Yes, it was.

5 Q Mr. Sprague, do you have any corrections to the
6 Company's joint supplemental testimony that you
7 wish to make on the stand today?

8 A (Sprague) Not at this time.

9 Q If you were asked the same questions in your
10 joint supplemental testimony, would your answers
11 be the same?

12 A (Sprague) Yes, they would.

13 Q Do you adopt the joint supplemental testimony,
14 subject to the changes in subsequent filings, as
15 your sworn testimony in this case?

16 A (Sprague) Yes, I do.

17 Q Thank you, Mr. Sprague. Mr. Dusling, could you
18 please state your name, employer, the position
19 that you hold with the Company, and your
20 responsibilities in that position?

21 A (Dusling) Yes. My name is Jacob Dusling. I'm a
22 Principal Engineer for Unitil Service Corp. I
23 have responsibilities over system planning,
24 distribution planning, as well as reliability

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 planning, for Unitil Energy Systems.

2 Q And, Mr. Dusling, Hearing Exhibit 1 is the
3 Company's initial filing in this case. And
4 included in this exhibit is the prefiled
5 testimony and supporting attachments that you
6 sponsored. Was that testimony and the supporting
7 attachments prepared by or under your direction?

8 A (Dusling) Yes, they were.

9 Q Mr. Dusling, do you have any corrections to your
10 direct testimony that you wish to make on the
11 stand today?

12 A (Dusling) No, not at this time.

13 Q If you were asked the same questions in your
14 direct testimony today, would your answers be the
15 same?

16 A (Dusling) Yes, they would.

17 Q Do you adopt your written testimony, subject to
18 the changes in subsequent filings, as your sworn
19 testimony in this case?

20 A (Dusling) Yes.

21 Q Mr. Dusling, Hearing Exhibit 2 [Exh. 4?] is the
22 Company's supplemental filing in this case. And
23 included in this exhibit are the testimony and
24 supporting attachments that you co-sponsored with

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Mr. Sprague, Francoeur, Diggins, Goulding, and
2 Pentz. Was that joint testimony prepared by you
3 or under your direction?

4 A (Dusling) Yes, it was.

5 Q Mr. Dusling, do you have any corrections to the
6 Company's joint supplemental testimony that you
7 wish to make on the stand today?

8 A (Dusling) No, not at this time.

9 Q And, if you were asked the same questions in your
10 joint supplemental testimony, would your answers
11 be the same?

12 A (Dusling) Yes, they would.

13 Q Do you adopt the joint supplemental testimony,
14 subject to the changes in subsequent filings, as
15 your sworn testimony in this case?

16 A (Dusling) Yes.

17 Q Thank you, Mr. Dusling. Mr. Francoeur, please
18 state your name, employer, the position that you
19 hold with the Company, and your responsibilities
20 in that position?

21 A (Francoeur) Good morning. My name is Andre
22 Francoeur. I am the Financial Planning and
23 Analysis Manager for Unitil Service Corp. And my
24 responsibilities are primarily in the areas of

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 strategic planning and budgeting, supporting
2 investor relations, and assisting with various
3 regulatory and treasury projects.

4 Q Mr. Francoeur, Hearing Exhibit 1 is the Company's
5 initial filing in this case. And included in
6 that exhibit is the prefiled testimony and
7 supporting attachments that you co-sponsored with
8 Mr. Diggins, Goulding, and Pentz. Was that
9 testimony and the supporting attachments prepared
10 by you or under your supervision?

11 A (Francoeur) Yes, they were.

12 Q Mr. Francoeur, do you have any corrections to
13 your testimony that you wish to make on the stand
14 today?

15 A (Francoeur) No, I do not.

16 Q If you were asked the same questions in your
17 direct testimony today, would your answers be the
18 same?

19 A (Francoeur) Yes.

20 Q Do you adopt your written testimony, subject to
21 the changes in subsequent filings, as your sworn
22 testimony in this case?

23 A (Francoeur) Yes.

24 Q Mr. Francoeur, Hearing Exhibit 2 [Exh. 4?] is the

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Company's supplemental filing in this case. And
2 included in that exhibit are the testimony and
3 supporting attachments that you co-sponsored with
4 Mr. Sprague, Dusling, Diggins, Goulding, and
5 Pentz. Was that joint testimony prepared by you
6 or under your direction?

7 A (Francoeur) Yes.

8 Q Do you have any corrections to the Company's
9 joint supplemental testimony that you wish to
10 make on the stand today?

11 A (Francoeur) No, I do not.

12 Q And, if you were asked the same questions in your
13 joint supplemental testimony, would your answers
14 by the same?

15 A (Francoeur) Yes.

16 Q Do you adopt the joint supplemental testimony,
17 subject to the changes in subsequent filings, as
18 your sworn testimony in this case?

19 A (Francoeur) Yes.

20 Q Thank you, Mr. Francoeur. Mr. Diggins, please
21 state your name, employer, the position that you
22 hold with the Company, and your responsibilities
23 in that position?

24 A (Diggins) My name is Todd Diggins. I'm the

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Treasurer and Director of Finance for Unitil
2 Service Corp., and I'm also the Treasurer of
3 Unitil Energy Systems, Inc., and Unitil
4 Corporation's other subsidiaries. My
5 responsibilities are primarily in the areas of
6 financial planning/analysis, budget, treasury
7 operations, investor relations, insurance, and
8 loss control programs.

9 Q And, Mr. Diggins, Hearing Exhibit 1 is the
10 Company's initial filing in this case. And
11 included in that exhibit is the prefiled
12 testimony and supporting attachments that you
13 co-sponsored with Mr. Francoeur, Goulding, and
14 Pentz. Was that testimony and the supporting
15 attachments prepared by you or under your
16 direction?

17 A (Diggins) Yes, they were.

18 Q Mr. Diggins, do you have any corrections to your
19 testimony that you would like to make on the
20 stand today?

21 A (Diggins) No, I do not.

22 Q If you were asked the same questions in your
23 direct testimony, would your answers be the same?

24 A (Diggins) Yes.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q And do you adopt your written testimony, subject
2 to the changes in subsequent filings, as your
3 sworn testimony in this case?

4 A (Diggins) Yes.

5 Q Mr. Diggins, Hearing Exhibit 2 [Exh. 4?] is the
6 Company's supplemental filing in this case. And
7 included in this exhibit are the testimony and
8 supporting attachments that you co-sponsored with
9 Mr. Sprague, Dusling, Francoeur, Goulding, and
10 Pentz. Was that joint testimony prepared by you
11 or under your direction?

12 A (Diggins) Yes, it was.

13 Q Do you have any corrections to the Company's
14 joint supplemental testimony that you'd like to
15 make on the stand today?

16 A (Diggins) No, I do not.

17 Q And, if you were asked the same questions in your
18 joint supplemental testimony, would your answers
19 be the same?

20 A (Diggins) Yes.

21 Q And do you adopt the joint supplemental
22 testimony, subject to the changes in subsequent
23 filings, as your sworn testimony in this case?

24 A (Diggins) Yes, I do.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Thank you, Mr. Diggins. Mr. Goulding, please
2 state your name, employer, the position that you
3 hold with the Company, and your responsibilities
4 in that position?

5 A (Goulding) My name is Chris Goulding. I'm the
6 Director of Rates and Revenue Requirements for
7 Unitil Service Corp. And my responsibilities
8 include all rate and regulatory filings related
9 to the financial requirements of Unitil Energy
10 Systems, Inc., and its affiliates.

11 Q And, Mr. Goulding, Hearing Exhibit 1 is the
12 Company's initial filing in this case. And
13 included in this exhibit is the prefiled
14 testimony and supporting attachments that you
15 co-sponsored with Mr. Francoeur, Diggins, and
16 Pentz. Was that testimony and the supporting
17 attachments prepared by you or under your
18 direction?

19 A (Goulding) Yes, they were.

20 Q Do you have any corrections to your direct
21 testimony that you wish to make on the stand
22 today?

23 A (Goulding) No, I do not.

24 Q And, if you were asked the same questions in your

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 direct testimony today, would your answers be the
2 same?

3 A (Goulding) Yes.

4 Q Do you adopt your written testimony, subject to
5 the changes in subsequent filings, as your sworn
6 testimony in this case?

7 A (Goulding) Yes, I do.

8 Q Mr. Goulding, Hearing Exhibit 2 [Exh. 4?] is the
9 Company's supplemental filing in this case. And
10 included in that exhibit are the testimony and
11 supporting attachments that you co-sponsored with
12 Mr. Sprague, Dusling, Francoeur, Diggins, and
13 Pentz. Was that joint testimony prepared by you
14 or under your direction?

15 A (Goulding) Yes, it was.

16 Q Do you have any corrections to the Company's
17 joint supplemental testimony that you'd like to
18 make on the stand today?

19 A (Goulding) No, I do not.

20 Q And, if you were asked the same questions in your
21 joint supplemental testimony today, would your
22 answers be the same?

23 A (Goulding) Yes.

24 Q Do you adopt the joint supplemental testimony,

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 subject to the changes in subsequent filings, as
2 your sworn testimony in this case?

3 A (Goulding) Yes, I do.

4 Q Thank you, Mr. Goulding. Mr. Pentz, please state
5 your name, employer, the position that you hold
6 with the Company, and your responsibilities in
7 that position?

8 A (Pentz) My name is Jeff Pentz. I work for Unitil
9 Energy. And my responsibilities primarily have
10 to do with wholesale power supply procurement,
11 renewable energy credit procurement, and market
12 research and operations.

13 Q Mr. Pentz, Hearing Exhibit 1 is the Company's
14 initial filing in this case. And included in
15 that exhibit is the prefiled testimony and
16 supporting attachments that you co-sponsored with
17 Mr. Francoeur, Diggins, and Goulding. Was that
18 testimony and the supporting attachments prepared
19 by you or under your direction?

20 A (Pentz) Yes, they were.

21 Q Do you have any corrections to your direct
22 testimony that you'd like to make on the stand
23 today?

24 A (Pentz) I do not.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q And, if you were asked the same questions in your
2 direct testimony today, would your answers be the
3 same?

4 A (Pentz) Yes.

5 Q Do you adopt your written testimony, subject to
6 the changes in subsequent filings, as your sworn
7 testimony in this case?

8 A (Pentz) Yes.

9 Q Mr. Pentz, Hearing Exhibit 2 [Exh. 4?] is the
10 Company's supplemental filing in this case. And
11 included in that exhibit are the testimony and
12 supporting attachments that you co-sponsored with
13 Mr. Sprague, Dusling, Francoeur, Diggins, and
14 Goulding. Was that joint testimony prepared by
15 you or under your direction?

16 A (Pentz) Yes, it was.

17 Q Do you have any corrections to the Company's
18 joint supplemental testimony that you wish to
19 make today?

20 A (Pentz) I do not.

21 Q And, if you were asked the same questions in the
22 joint supplemental testimony, would your answers
23 be the same?

24 A (Pentz) Yes.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Do you adopt the joint supplemental testimony,
2 subject to the changes in subsequent filings, as
3 your sworn testimony in this case?

4 A (Pentz) Yes, I do.

5 Q Thank you, Mr. Pentz. Mr. Pierce, please state
6 your name, employer, and the position that you
7 hold with your firm?

8 A (Pierce) My name is Kevin Pierce. I'm a Senior
9 Consultant at Daymark Energy Advisors. Among
10 other duties, I support a variety of analyses for
11 renewable energy projects, including several
12 economic benefits reports.

13 Q Mr. Pierce, Hearing Exhibit 1 is the Company's
14 initial filing in this case. And included in
15 this exhibit is the prefiled testimony and
16 supporting attachments that you co-sponsored with
17 Carrie Gilbert. Was that testimony and the
18 supporting attachments prepared by or under your
19 direction?

20 A (Pierce) Yes, they were.

21 Q Mr. Piece, do you have any corrections to you
22 direct testimony that you wish to make on the
23 stand today?

24 A (Pierce) No, I do not.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q And, if you were asked the same questions in your
2 direct testimony, would your answers be the same?

3 A (Pierce) Yes.

4 Q And, as you've just affirmed, Ms. Gilbert was a
5 co-sponsor of your prefiled testimony.

6 Ms. Gilbert is no longer appearing as a witness
7 for the Company in this case, correct?

8 A (Pierce) Yes, that is correct.

9 Q And do you adopt the prefiled testimony that you
10 submitted jointly with Ms. Gilbert as your own
11 sworn testimony, in its entirety, subject to the
12 changes in subsequent filings?

13 A (Pierce) Yes, I do.

14 Q Mr. Pierce, Hearing Exhibit 7 [Exh. 9?] is a
15 supplemental filing, which contains an updated
16 report of Daymark's Indirect Benefit Analysis.
17 Was that updated report prepared by you or under
18 your direction?

19 A (Pierce) Yes, it was.

20 Q Mr. Piece, do you have any corrections to
21 Daymark's updated Indirect Benefits Report that
22 you wish to make today?

23 A (Pierce) No, I do not.

24 Q And do you adopt the updated Indirect Benefits

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Report as part of your sworn testimony in this
2 case?

3 A (Pierce) Yes, I do.

4 MR. CAMPBELL: Thank you, Mr. Pierce.
5 The witnesses are now available for
6 cross-examination.

7 CHAIRMAN GOLDNER: Thank you, Attorney
8 Campbell.

9 Just to straighten out the exhibit
10 list, which we both had problems with at the
11 outset. There was a "1 through 6" sequence and a
12 "1 through 9" sequence. And I just want to go
13 over the exhibits sort of one-by-one, and tidy
14 that up before we get started.

15 MR. CAMPBELL: Okay.

16 CHAIRMAN GOLDNER: I show "Exhibit 1"
17 as the confidential version of the "Petition for
18 Approval of Investment and Rate Recovery;
19 "Exhibit 2" is the same, non-confidential
20 version; "Exhibit 3" is the "Corrected Bates Page
21 00060"; "Exhibit 4" is the confidential "Joint
22 Supplemental Testimony". I think, when you were
23 talking to the witnesses or questioning the
24 witnesses, you referred to that as "Exhibit 2".

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 MR. CAMPBELL: Ah. Apologies for that.
2 Yes, I should have been referring to "Hearing
3 Exhibit 4".

4 CHAIRMAN GOLDNER: Four.

5 MR. CAMPBELL: It's the joint
6 supplemental; "4" is the confidential, "5" is the
7 redacted. You're correct.

8 CHAIRMAN GOLDNER: Perfect. Perfect.
9 And then -- and then, when you were talking to
10 Mr. Pierce, I think you referred to that, to his
11 exhibit as "Exhibit 7", and that's actually
12 "Exhibit 9".

13 MR. CAMPBELL: That's correct. Lawyers
14 can't count very well, Chairman Goldner. But
15 you're correct.

16 CHAIRMAN GOLDNER: Neither can your
17 Chair, apparently, because I made the same
18 mistake at the outset. So, I think we've got
19 that squared away and we have the exhibit numbers
20 sorted. So, thank you for working through that
21 detail.

22 Okay. Very good. So, let's move to
23 Clean Energy New Hampshire, if there's any
24 questions for the witness panel?

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 MR. SKOGLUND: We do not have any
2 questions at this time.

3 CHAIRMAN GOLDNER: Okay. Very good.
4 And does the Office of Consumer Advocate have any
5 questions for the panel?

6 MR. CROUSE: Not at this time. Thank
7 you.

8 CHAIRMAN GOLDNER: Okay. Very good.
9 And we'll move to Attorney Young and the New
10 Hampshire Department of Energy then?

11 MR. YOUNG: Nothing from the Department
12 of Energy.

13 CHAIRMAN GOLDNER: Okay. Well, that
14 makes it quicker. We will then move to
15 Commissioner questions, beginning with
16 Commissioner Simpson.

17 CMSR. SIMPSON: We're moving
18 efficiently today. Thank you all for being here.

19 BY CMSR. SIMPSON:

20 Q So, I first want to ask about the system
21 operating as a load reducer. As a general
22 matter, is there any risk that the system could
23 provide a situation of reverse power flow at the
24 substation?

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Sprague) No. The way that it's connected to the
2 system, we do not foresee a situation where it
3 would result in reverse power flow.

4 Q Okay. Thank you. So, now that we've cleared
5 that up, I'd like to ask you about the RFP
6 process. So, without going into any confidential
7 or proprietary information, can you just
8 enlighten us as to how that process unfolded?

9 You initially provided an RFI;
10 presumably, you received some feedback from that.
11 The Company then issued a competitive RFP. We
12 know that you ultimately selected ReVision
13 Energy. I think we're just interested in how did
14 that process unfold? Do you feel that it was
15 competitive? Was there interest from the
16 developer community generally? And what -- what
17 did you ultimately weigh when you were analyzing
18 the responses?

19 A (Dusling) Sure. It was really almost like a
20 three-stage approach. We initially issued an RFI
21 to gather information on what may be required for
22 site-specifics, general cost information. I
23 believe that was submitted to five participants.
24 I think it was three that proposed -- that

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 submitted proposals to that. That was used for
2 initial site evaluation, just to try to pinpoint,
3 you know, where we might construct a facility
4 like this.

5 Once we narrowed it down to this
6 Kingston location, we issued a preliminary RFP to
7 that same group of vendors, plus, I think, two
8 additional vendors -- sorry, I take that back,
9 let me correct myself -- to that same group of
10 vendors. I think we got two responses to that,
11 which answered the questions more specific to
12 that site and types of installations; fixed
13 panels versus single-axis tracking versus dual
14 access tracking, upsizing DC capacity, you know,
15 similar AC to DC capacity, those type of
16 questions, so we could try to fine-tune what
17 would go into that final RFP.

18 And then, that final RFP was submitted,
19 and that one went to the five, plus two
20 additional, I think a total of seven. We
21 received, if I recall correctly, three responses.
22 They were engaged, very complete responses. I
23 think it was a fairly competitive process.

24 Q And, when you ultimately evaluated the winning

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 bidder's proposal, what were some of the factors
2 that stood out to you, in terms of meeting your
3 perceived needs for this Project?

4 A (Dusling) So, in a lot of the cases, the winning
5 bidder had a lot of domestic content. They were
6 locally -- they were a local New Hampshire
7 company, located right in Brentwood, fairly close
8 to the facility.

9 Q Uh-huh.

10 A (Dusling) Their material they were recommending
11 or proposing seemed the highest quality, good
12 warranties. You know, they had a good O&M plan.
13 Their -- I'll left Andre talk to the financials,
14 but their financial model plugged into our model
15 very nicely as well.

16 Q On the "domestic content", on Exhibit 5, I was
17 confused by some of the numbers. So, I'm going
18 to refer to as in the document, the *pdf* document,
19 there seemed to be two numbers in the footer of
20 many of the exhibits, so I wasn't sure which was
21 the Bates page.

22 But, on Exhibit 5, *Pdf* Page 35, there's
23 some discussion of the analysis of the Production
24 Tax Credit versus the Investment Tax Credit. And

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 something that you noted was that there's a "10
2 percent bonus tax credit for domestic content."

3 Explain to me how or if the Company is
4 trying to reach that 10 percent, and what the
5 risks are? You mentioned the domestic content
6 provided by the winning bidder, I presume that's
7 part of this analysis?

8 A (Dusling) Yes. So, in the ReVision proposal,
9 they feel we will meet that 40 percent domestic
10 content for 2024 construction. But it will
11 ultimately come down to when we actually, you
12 know, go out and source that material.

13 So, you know, at this point we're
14 thinking we will receive it, but it wasn't
15 included in the financial analysis.

16 Q Okay. So, the financial analysis does not
17 include that 10 percent bonus tax credit?

18 A (Francoeur) No. For a conservative element, we
19 didn't include the domestic content bonus in the
20 PTC rate.

21 Q And could you point us to the figure that would
22 be impacted by the 10 percent, if you achieve
23 that domestic content percentage?

24 A (Francoeur) Are you asking where in testimony we

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 could change that number or what the number would
2 be if we achieved the domestic content?

3 Q If you just show us the exhibit and the line item
4 or items that would be reduced by 10 percent,
5 that's what I'm asking?

6 A (Francoeur) Okay. Give me a minute to hunt that
7 down?

8 Q Yes. Take your time.

9 A (Francoeur) Thank you.

10 Q And is the -- while Mr. Francoeur is looking that
11 up, is the bonus figure 40 percent of domestic
12 content?

13 A (Dusling) For -- if it's constructed in 2024,
14 yes.

15 Q Okay. So, that would be the assets individually?
16 So, panels, racking, wire?

17 A (Dusling) Yes, steel components. Yes, inverters.

18 Q And what -- I saw that Solectria is the provider,
19 I think, of the string inverters?

20 A (Dusling) I believe so, yes.

21 Q And that's a -- I think that's a U.S. company,
22 correct, out of Massachusetts?

23 A (Dusling) I believe so, yes.

24 Q So, what are the elements in the design that you

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 think are most likely to be provided for domestic
2 providers or manufacturers?

3 A (Dusling) Based on ReVision's proposal, I think a
4 majority of it is going to be all the steel
5 components and wire, for the most part.

6 Q Okay.

7 A (Francoeur) The PTC rate that we would look to
8 change in the benefit-cost ratio model to reflect
9 the 10 percent domestic content bonus would be in
10 Hearing Exhibit 4, Bates Page 156, which I
11 believe is the number in the middle of the bottom
12 of the page. And that would be on Line 5, in
13 year one, would be the number we would update.

14 Q Okay. Just a moment. Okay. So, 156, and repeat
15 the line number, if you would please?

16 A (Francoeur) Line number 5.

17 Q Okay. So, explain that for me. I'm seeing, in
18 year one, it's 286 hundredths is the figure
19 that's listed, correct?

20 A (Francoeur) That is correct.

21 Q So, what would that figure go to?

22 A (Francoeur) That figure would increase to
23 approximately 3.1 cents.

24 Q Okay. And then, are you able to estimate what

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 the overall revenue requirement change might be?

2 A (Francoeur) I couldn't estimate that as I sit
3 here today. But, in testimony, we do show in the
4 simulation analysis what the impact on the net
5 present value and benefit-cost ratio would be if
6 we achieved that. And I can point you to that in
7 the testimony, if that would be helpful?

8 Q Sure. Is that in Exhibit 5?

9 A (Francoeur) I think so. If you give me a second,
10 I can confirm?

11 Q Sure.

12 A (Francoeur) Yes, Commissioner. And it does look
13 like Hearing Exhibit 5, Bates Page 059. And, on
14 this page, what we're showing is a tornado graph
15 of the key variables included in the simulation
16 analysis. We did it to help quantify some of the
17 risks associated with the Project.

18 Q Uh-huh.

19 A (Francoeur) And what the tornado graph seeks to
20 do is show the smallest and largest relative
21 impact a specific variable can have on the
22 results. So, here, and the quality looks like we
23 may have lost some in printing the hearing
24 exhibits, but you can see that the -- whether we

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 get the domestic content, it will impact the net
2 present value, looks to be approximately 230,000
3 or so.

4 Q Okay. That's helpful. And this, these graphs
5 and this analysis, was very helpful. It was -- I
6 thought it was very nicely done. And I
7 appreciated the graphs that were provided in this
8 exhibit. And the way -- or, the factors, I
9 should say, that you categorized as "risks", that
10 was helpful in my analysis, and I believe my
11 Commissioners -- my fellow Commissioners as well.

12 Okay. So, going back to the RFP, you
13 note in testimony that the selected proposal
14 provides the best overall value. Can you
15 elaborate on what you consider to be a value?

16 A (Dusling) I think it was all those components we
17 talked about before. In the financial analysis,
18 their proposal provided the best, you know, best
19 net present value and rate of return. I think it
20 was also them being locally sourced for us,
21 locally located, right up the road from the site,
22 a New Hampshire-based company. And, like I said,
23 you know, the quality of the products, the
24 quality of their proposal. And, you know, after

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 meeting with their team, you know, I think the
2 Company felt it was the best overall choice.

3 Q One of the elements that looked like it changed
4 from your initial to the supplemental was the
5 warranty periods for some of the elements. It
6 looked like the system warranty increased by five
7 years, and then the inverter warranty, you
8 submitted a correction, that I think it had
9 originally been 15 or 20, and then it moved to 5
10 and 10?

11 A (Dusling) Yes.

12 Q Can you explain, on the overall system, why that
13 increased overall or why you felt that the vendor
14 that you selected was able to warranty the system
15 for an additional five years?

16 A (Dusling) I think it was more of the
17 manufacturers they chose and their past
18 experience. So, you know, the tracking system,
19 the racking system they chose seemed to be, you
20 know, a little bit more maintenance-free, to give
21 it that longer life. The inverters, you know,
22 the language I remember --

23 *[Court reporter interruption.]*

24 **CONTINUED BY THE WITNESS:**

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Dusling) the panels themselves had a slightly
2 longer warranty than what was provided in the
3 original preliminary RFP as well. So, I think it
4 was just more fine-tuning what we were asking
5 for.

6 BY CMSR. SIMPSON:

7 Q And did you feel that there were any concessions
8 in the proposal, things that the Company didn't
9 ultimately get that they initially sought? Or,
10 did you feel that everything that you sought in
11 the RFP was accommodated?

12 A (Dusling) No, I think they accommodated almost
13 everything. Yes.

14 Q Okay. In the supplemental testimony, I just want
15 to find the right Bates number, instead of going
16 off the *pdf*. Oh, look at that, it's the same.

17 So, on Bates Page and *Pdf* Page 20, you
18 mention that some of the intervenors were
19 interested in understanding your sensitivity and
20 benefit-cost analyses. What factors were they
21 interested in?

22 MR. CAMPBELL: Commissioner Simpson, if
23 I may, I'm having trouble finding the reference.
24 Is there a line on that page please?

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 CMSR. SIMPSON: Yes. So, it starts on
2 Bates Page 19, Line -- or, Bates Page 019,
3 Line 18. "The Commission and intervenors also
4 expressed an interest in understanding the
5 sensitivity of the Benefit-Cost Analysis to
6 certain assumptions and inputs."

7 MR. CAMPBELL: Thank you.

8 CMSR. SIMPSON: Uh-huh.

9 **BY THE WITNESS:**

10 A (Francoeur) I think what we're referring to in
11 our joint testimony there is two main issues.
12 And one of those was a discussion of risks, which
13 we included both qualitative and quantitative
14 discussions in the supplemental testimony to
15 address some of the concerns that I think were
16 brought up in the prehearing conference, and as
17 well by the intervenors.

18 Second, I think some of the concerns,
19 not to put words in their mouths, but that, of
20 the intervenors, were specific to maintenance
21 expense associated with the Project and
22 decommissioning expense.

23 And, from our initial filing to the
24 supplemental benefit-cost model, we included a

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 number of things that we thought added a degree
2 of conservatism to reflect some decommissioning
3 and maintenance costs. To elaborate a little bit
4 on those, it would be we added a line item in the
5 revenue requirement for decommissioning expense.
6 And we also added a capital expense for repairs
7 after the warranty periods ended for both the PV
8 modules, as well as some of the racking
9 equipment.

10 BY CMSR. SIMPSON:

11 Q Okay. Thank you. And your supplemental analysis
12 also includes future capital replacements. Can
13 you address what elements of the Project you
14 would foresee requiring capital replacement, or
15 the more likely elements that might require a
16 capital replacement in the future?

17 A (Dusling) I think the large one is the inverters.
18 So, we're assuming replacement of all inverters
19 throughout the life of the Project. Some of the
20 modules, after their warranty period, could be
21 from damage or just, you know, reduced
22 production. As well as some of the racking
23 components, more specifically, the motor
24 components, since this is a single-axis tracking

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 system. So, we're anticipating some repairs and
2 possibly replacement of those, further out,
3 further down, you know, the 20 plus years of
4 life.

5 Q And would you be able to point us to your
6 financial model that accounts for those costs,
7 and how they're predicted out over the life of
8 the Project?

9 A (Francoeur) Yes, I can provide that. If you can
10 just give me a moment to find the cites?

11 Q Take your time.

12 A (Francoeur) On Hearing Exhibit 4, which I believe
13 is the confidential hearing exhibit, beginning on
14 Bates Page 192, we can see some of the
15 replacement capital items on this page. And,
16 specifically, Row 51 on this page --

17 Q Just a moment.

18 CHAIRMAN GOLDNER: We have an abundance
19 of Bates pages. Is it the center large number
20 Bates page or the one on the lower right?

21 MR. CAMPBELL: So, for all the hearing
22 exhibits, it's the Bates number at the center
23 bottom of the page.

24 CHAIRMAN GOLDNER: Very good. Thank

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 you.

2 BY CMSR. SIMPSON:

3 Q Go ahead, Mr. Francoeur. Thank you.

4 A (Francoeur) So, on this page, we're showing,
5 again, on Row 51, the replacement of the solar
6 inverter, which we assigned a 20-year life, I
7 believe, and this is the replacement of that.
8 And the calculation for that is the cost of the
9 Solar Inverter 1, the future value, assuming a
10 2 percent annual escalation rate applied to that.

11 Turning a few pages forward, on Bates
12 Page 194 of the same hearing exhibit, we show a
13 schedule that highlights the maintenance capital
14 costs. Which we delineate, when I mentioned the
15 solar inverter, is kind of a wholesale
16 replacement, as far as the financial model.
17 Whereas, as the maintenance capital cost is on an
18 "as needed" basis, if you will. And we applied a
19 percentage of the initial original cost, plus a
20 time value of money factor over -- as if those
21 costs are going to be incurred once the warranty
22 periods for the PV modules and the racking
23 equipment conclude.

24 Q Is that why you used a 10-year period, reflecting

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 the warranty period?

2 A (Francoeur) I'm not sure I followed the question.
3 Apologies.

4 Q On the line that explains the years, we go from
5 "Year 0" to "Year 10". So, you forecasted this
6 out for 10 years?

7 A (Francoeur) If I may, the Bates pages continue on
8 to 197, and each page shows 10 vintage years, if
9 you will.

10 Q Okay.

11 A (Francoeur) So, you can see, on Bates Page 194,
12 the "Expected Replacement Percentages" are all
13 zeroes, because the warranty period is --

14 Q Ah.

15 A (Francoeur) -- it's still present. But, if you
16 flip forward a couple pages, to Bates Page 196,
17 you'll see that the expected replacement for the
18 PV modules increases to a half a percent on
19 Line 5.

20 Q Okay. Okay, great. That's helpful. That
21 clarifies that.

22 Going back to Bates Page 031 in the
23 same exhibit. So, Exhibit 5, redacted. There's
24 a table, Table 6, that shows "Updates to Design

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Characteristics". Can you walk us through the
2 six factors that are categorized as "inputs", and
3 the relative change from the initial to the
4 supplemental filing please?

5 A (Dusling) Sure. So, the "Expected Life of the
6 Project", from "30 years" to "40 years", the
7 initial 30 years was based on the preliminary
8 RFP; 40 years was based on ReVision's proposal
9 that was selected for the Project. They were
10 very confident that 40 years is reasonable, as
11 long as we assume that inverter replacement. So,
12 that's where the "40 years" come from.

13 The "System Capacity" increased
14 slightly on the DC side. I think that was more
15 specific to, you know, our specific request and
16 what could be fit in the area we were looking at.
17 And then, the "4.88 megawatt (AC)" came from, you
18 know, inverter sizings that are being proposed.
19 You know, this includes, I think, 39 string
20 inverters. If we went to 40, it would push us
21 over, just at or above that 5 megawatt value. So
22 that was just a function of the inverter selected
23 and its size.

24 Q And, on this one, the relative differences

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 between the DC and AC, from the initial to the
2 supplemental, the DC increased, but the AC
3 decreased.

4 A (Dusling) Correct.

5 Q Could you explain that for us?

6 A (Dusling) So, I think, in the initial preliminary
7 RFP, you know, the inverter was able to be sized
8 more closer to that 5 megawatts. I think that
9 initial proposal was a central inverter that was
10 going to be tuned to 4.99 megawatts. And then,
11 on ReVision's proposal that we went with on
12 the -- in the supplemental filing, they're using
13 string inverters that are I think it's 125 kW per
14 inverter. So, it's just -- it's a design change
15 at that point. There are some benefits to that
16 design change that we can talk about.

17 And then, the overall system
18 capacity -- the DC capacity I think was just
19 based on, you know, the information available to
20 the bidders at the time. You know, the
21 preliminary RFP, when we sent that out, it was
22 just, you know, "Here is a map of the site."

23 Q Uh-huh.

24 A (Dusling) The final RFP included an actual

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 existing conditions plan where wetlands were
2 located, so they had much more freedom to be able
3 to figure out where they can place equipment.

4 Q Okay.

5 A (Dusling) The next one, the "Degradation Rate",
6 just changed based on the modules that were
7 selected. We dug more into the modules, got the
8 actual data from the module manufacturer,
9 opposed, in the preliminary RFP, it was, you
10 know, just kind of what was stated to us during
11 that process.

12 And then, the following ones, the
13 "Capacity Factor", "Capacity at Peak Hour", and
14 "Capacity at" -- so, the ISO peak hour and the
15 monthly peak hour, are strictly a function of,
16 you know, the production model that was run
17 against what was being proposed.

18 Q So, the supplemental filing reflects a more
19 accurate selection of equipment with particular
20 characteristics?

21 A (Dusling) Correct.

22 Q Okay.

23 A (Dusling) Yes.

24 Q Thank you.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Dusling) And more specific to the site as well.

2 Q So, we touched on the bonus tax credit of 10
3 percent. On Bates 035, there's a comparison of
4 the Production Tax Credit versus the Investment
5 Tax Credit. Would one of the witnesses be able
6 to walk us through the comparison of the two
7 federal tax credits, and ultimately why you
8 selected what you did, under the IRS
9 Normalization Rules?

10 A (Francoeur) Yes. That's a good question. During
11 the prehearing conference, the Company stated
12 that we were continuing to investigate ways that
13 we could optimize our selection of the tax
14 credits to the benefit of our ratepayers. And,
15 through that process, we leveraged the Production
16 Tax Credit in the financial model. And the
17 biggest benefit for electing to use the
18 Production Tax Credit, as opposed to the
19 Investment Tax Credit, is that the PTC, short for
20 "Production Tax Credit", is not subject to IRS
21 Normalization Rules.

22 So, for that reason, and opposed to the
23 ITC, which is subject to IRS Normalization Rules,
24 which dictate that we have to flow back the tax

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 credits to customers ratably over the life of the
2 assets. So, simply put, a dollar of a tax credit
3 is going to be provided back to ratepayers over a
4 40-year period. Whereas, the Production Tax
5 Credits, which are generated over the first ten
6 years of the facility's life, are not subject to
7 IRS Normalization, and can be provided back to
8 ratepayers as soon as they are created.

9 So, simply put, switching to the
10 Production Tax Credit unlocks pretty significant
11 time value of money benefits for the ratepayers.

12 Q Is there a downside to utilizing the PTC?

13 A (Francoeur) Not that I can identify right now.
14 And I would add, you know, if the Company does
15 elect to utilize the PTC, if, in the future, we
16 look to add battery storage, we're not precluded
17 from seeking an Investment Tax Credit on that
18 energy storage system.

19 I might add that the Company is still
20 going to continue, if this Project moves forward,
21 to make sure that we're maximizing any potential
22 value. As I think we discussed in the prehearing
23 conference, the Inflation Reduction Act allows
24 for the transfer of Investment Tax Credits for

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 cash. However, that pathway is still -- has a
2 fair degree of uncertainty. That market doesn't
3 exist yet. We have to wait for these tax credits
4 to be generated, the tax filings to be made, and
5 the market to come into existence.

6 And, additionally, it remains to be
7 seen whether the Company was able to transfer the
8 tax credits, whether that would allow us to
9 circumvent IRS Normalization, we would need
10 clarification from the IRS on that. But that's
11 still an option that the Company has, is looking
12 at. But, as I sit here today, I don't think the
13 PTC has downsides.

14 Q Okay. Thank you. Moving along to Bates
15 Page 040, there's a discussion of the REC
16 production. And you note, starting on Line 17,
17 that "The Project will generate RECs that will be
18 retained either to meet Unitil's Default Service
19 RPS obligations or sold into the market and
20 credited back to customers."

21 Is there any reason why you would not
22 use these RECs as an offset, as opposed to
23 selling them into the market?

24 A (Pentz) I think, really, to answer the question,

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 it really depends on how much default service
2 load there is available. You know, with
3 municipal aggregations and more loads switching
4 over to competitive supply, there may be surplus
5 RECs generated to apply that to default service.
6 In that case, we would have no choice but to sell
7 the RECs. Otherwise, they would essentially
8 expire worthless.

9 Q So, the obligation for the communities that
10 aggregate, that RPS obligation transfers to the
11 aggregation, and then you would no longer have
12 the obligation for that pool of your customers,
13 correct?

14 A (Pentz) That is correct. Right. It really --
15 the amount of RECs that a load-serving entity
16 needs to purchase is dictated by retail sales
17 volume. Naturally, if default service sales
18 continue downward, then we would need less RECs.

19 Q Okay. And then, there is some discussion about
20 "permitting" on Bates Page 043 associated with
21 site control risk. Can you give us an update on
22 where you stand with permitting? If you've
23 received any permits yet? Any that are
24 outstanding? If you haven't started pursuing

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 some permits yet, *et cetera*?

2 A (Dusling) So, right now, we've completed a lot of
3 the I'll say "assessments". All our wetlands
4 delineations are complete. The Natural Heritage
5 Bureau, you know, endangered species review,
6 archaeological surveys, environmental surveys,
7 those are all complete. We have yet to actually
8 file a permit. We've kind of had preliminary
9 meetings with some of the agencies, Board of
10 Selectmen in Kingston, informal discussions with
11 New Hampshire DES, just, you know, regarding, you
12 know, that the permit is coming. And, at this
13 point, we're expecting to submit the first round
14 of permits in the next couple weeks.

15 Q And how has your stakeholder outreach gone? What
16 efforts have you made to reach out to abutters,
17 different agencies, the municipality? Let us
18 know how those conversations are going.

19 A (Dusling) So, at this point, we've met with the
20 Town of Kingston engineer. We've also met
21 informally with the Board of Selectmen informing
22 them of the Project. Those were very positive.
23 I would say all meetings we've had to date have
24 been positive in nature. We're currently working

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 with, you know, police and fire on what's going
2 to be required for access, and those type of
3 things. So, --

4 Q Uh-huh. How about abutters?

5 A (Dusling) At this point, other than one abutter,
6 we haven't really talked to any of them.

7 There's -- I mean, it's out there in the middle
8 of the woods, for the most part.

9 Q Okay. And then, let's just walk through the
10 quantitative risk assessment, and the associated
11 Monte Carlo analysis please. We touched on it
12 earlier. But, if you would just describe the
13 thinking, what factors you thought were
14 appropriate to evaluate, the tool that you used
15 ultimately to perform the analysis of the
16 simulation, and what the probabilistic outcomes
17 were?

18 A (Francoeur) So, we started the discussion of
19 quantitative risk assessment with the stress test
20 results, which is shown as "Table 11", Bates
21 Page 052 of Hearing Exhibit 5. And the value of
22 a stress test is to identify the specific
23 variable while holding all else constant, and
24 identify how much that variable needs to change

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 to reach a breakeven point, which, in the context
2 of this, would be a net present value of zero or
3 a benefit-cost ratio of 1.0.

4 This is a fairly simple analysis. So,
5 we leveraged a software called "@Risk" to run a
6 simulation analysis. And the benefit of the
7 simulation analysis, unlike the stress test, is
8 it allows some of those key variables to change
9 independent of one another, which is more
10 realistic of the nature of how reality is, that
11 more variables will change at once than one at a
12 time.

13 Q Uh-huh.

14 A (Francoeur) So, the Monte Carlo analysis allowed
15 us to select a handful of key variables that we
16 believe had the largest impact on the economic
17 results. And we assigned statistical properties
18 and distributions for each variable, to allow
19 them to assign possibilities based on the various
20 simulations. And we ran 100,000 scenarios. And
21 the key variables that we identified to include
22 in the simulation were the annual capacity
23 factor; the capacity at both the annual and
24 monthly peak; the change in the depreciable

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 capital costs; the change in REC prices; the
2 ISO-New England energy futures, which dictates
3 the energy rates not only in the first four
4 years, but the point at which they jump off; the
5 escalation rate for both direct benefits and all
6 other escalation rates, excluding the direct
7 benefits; and, as we discussed earlier, the PTC
8 domestic content bonus, whether we would achieve
9 that or not.

10 We, based on the results, concluded
11 that the results were normally distributed, given
12 the close proximity between the mean and the
13 median, the limited skew value, and the shape of
14 the curve. The results indicated an 84
15 percent -- 84.3 percent probability that the
16 results would be net present value zero or
17 greater.

18 And I'd also add that this does not
19 include the net present value of any of the
20 indirect benefits that were calculated by
21 Daymark, which the Company considers just as real
22 as the direct benefits, but are somewhat more
23 difficult to quantify in this context.

24 Table 12, on Bates Page 058, shows the

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 percentile results from 1.0 to 99.0, and what the
2 resulting net present value and benefit-cost
3 ratio were.

4 Q So, from this table, it looks like somewhere
5 between 10 and 15 percent is where the
6 benefit-cost falls below unity, correct?

7 A (Francoeur) That's correct.

8 Q So, you're forecasting that there's an 85, 80
9 percent likelihood that the Project will provide
10 positive outcomes for customers?

11 A (Francoeur) That's correct.

12 Q Okay. Thank you. And then, I would like to jump
13 over to the Daymark witnesses please.

14 So, Mr. Pierce, if you might just
15 elaborate on your overall summary of the indirect
16 benefits, and how you would suggest a
17 consideration for quantification of those?

18 A (Pierce) Sure. Just can you hear me all right?

19 Q Yes.

20 A (Pierce) Great. Thank you. So, we did three
21 different analyses of indirect benefits of the
22 Kingston Solar Project. First being the economic
23 benefits, which are the overall economic output
24 generated by spending of the Project, as well as

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 job years. We also did an analysis of the
2 emissions, emissions savings, and the cost of --
3 the avoided costs of those savings. And we also
4 did a Demand Reduction Induced Price Effect, or
5 DRIPE, analysis, that measures the change in the
6 avoided energy -- the market price change of the
7 avoided energy of that.

8 Overall, the economic benefits showed a
9 total direct, indirect, and induced impacts of
10 about \$12 million --

11 Q And can you --

12 A (Pierce) -- on a net present value basis.

13 Q Yes. And can you point to the page that
14 describes that please?

15 A (Pierce) Sure. I actually don't have the Bates
16 page in front of me. However, Supplemental
17 Exhibit GPP-2, Page 8 of 31, has the Table 2,
18 which is the total economic benefits of the
19 Project.

20 Q Table 2, okay. Thank you. Continue.

21 A (Pierce) Yes. So, that has -- that shows the
22 present value of economic benefits of \$12
23 million, and approximately 95 job years over the
24 course of the Project's life, the 40-year life.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Can you explain what that means, "job years"?

2 A (Pierce) Sure. Certainly. So, one person
3 employed full-time over the course of an entire
4 year is "one job year". If that same person is
5 employed for a second year, that is counted as
6 "two job years", that, even though it's the same
7 person in the same job, doing the same thing, for
8 over two years. So, if you want an average job
9 creation per year, you just divide by the number
10 of years.

11 Q So, it would be one year where 95 people are
12 employed would be equivalent to one person
13 working for 95 years?

14 A (Pierce) That's correct.

15 Q Okay. Thank you.

16 A (Pierce) For the -- we also did the "Emissions
17 Benefit Summary" on Table 4, which is located on
18 Page 10 of 31 of the Supplemental GPP-2 exhibit.

19 Q Yes.

20 A (Pierce) In this table, we find that the CO2
21 savings are 73,000 tons approximately, and the
22 nitrous oxide emission savings are 6.9 --

23 *[Court reporter interruption.]*

24 **CONTINUED BY THE WITNESS:**

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Pierce) Sure. So, the CO2 emissions are 73,500,
2 and the nitrous oxide are 6.97 tons. Both of
3 these have a net present value emissions savings
4 of 2.0 million for the carbon dioxide, and for
5 nitrous it's 47,000. There's a missing zero
6 there, I apologize for that.

7 BY CMSR. SIMPSON:

8 Q For the CO2, you must have either imputed or
9 assumed a dollars per ton figure?

10 A (Pierce) That is correct. Yes. We have used the
11 Social Cost of Carbon, as defined by the current
12 Biden Administration, which, subject to check, is
13 \$49.

14 Q Per ton?

15 A (Pierce) Per ton, that's correct.

16 Q Okay. Thank you.

17 A (Pierce) We describe that further in the report.

18 Q Uh-huh.

19 A (Pierce) And then, we talk about the Demand
20 Reduction Induced Price Effect, which is, again,
21 as I said, the effects of reducing overall demand
22 on the system, and the subsequent price reduction
23 paid out in the market. And we find that the
24 price reduction effect of the Project would be

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 about \$567,000 on a present value basis, which is
2 an equivalent of \$0.0067 per megawatt-hour.

3 CMSR. SIMPSON: Okay. All right.

4 Thank you.

5 I think that's all I have for these
6 witnesses at this time.

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

10 And I think I'll just jump in, excuse
11 me, Commissioner. We'll take a break at 10:30,
12 and then return about 10:45. So, just as a time
13 check.

14 CMSR. CHATTOPADHYAY: Good morning.
15 Since we talked about the indirect benefits at
16 the end, when Commissioner Simpson was asking
17 questions, it's probably better for me to first
18 go there, even though I'll go to the other issues
19 as well.

20 BY CMSR. CHATTOPADHYAY:

21 Q On the economic benefits I heard, you said
22 "\$12 million". That's gross, right?

23 A (Pierce) That's correct.

24 Q Have you done any analysis on what the net

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 benefits might be?

2 A (Pierce) No, we have not.

3 Q Do you have any thoughts on that?

4 A (Pierce) It's difficult to ascertain for sure.

5 It's best to think of these benefits as all the

6 spending and all the jobs that are needed to

7 support a project of this size. Determining

8 where the slack in the economy, so to speak, and

9 where -- how much of those jobs, in specific,

10 would be new jobs, that is difficult to

11 determine. I don't have any real estimate of

12 that at this point.

13 Q Do you agree that, let's say I'm looking for a
14 particular job, and given where I am right now,
15 when I'm going to assess whether I should take it
16 or not, it would depend on whether there's an
17 opportunity, you know, it makes sense looking at
18 the opportunity cost?

19 A (Pierce) Yes.

20 Q Okay. So, part of that is why I'm asking, you
21 know, it's important to have a sense of what the
22 net benefits are, because you want to take a look
23 at what other alternatives there might be. So,
24 have you -- have you seen any of that kind of

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 analysis anywhere else?

2 A (Pierce) Not off the top of my head.

3 Q Have you worked with the Company to figure out,
4 if these benefits, as you have calculated, were
5 also counted as part of the benefits overall,
6 what would the benefit-cost ratio be?

7 A (Pierce) We have not. Because I think, as we
8 discussed -- we may have discussed last time, the
9 indirect benefits accrue to New Hampshire as a
10 whole, and even spill over into different states.
11 Although, these are -- we tried to bound these in
12 New Hampshire. Whereas, the benefits that have
13 been calculated by the other witnesses are direct
14 to Unitil ratepayers.

15 Q Okay. I just wanted to confirm.

16 So, let's go to the issue of the
17 Project life being 40 years, that -- can you
18 give -- walk me through the thinking again how
19 you moved from 30 years to 40 years? Were they
20 both based on the first, you know, sort of first
21 round of RFPs, and then, as you finalized it, you
22 have a different number. So, is that how it
23 happened?

24 A (Dusling) Yes. So, the initial 30 years was

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 based on those preliminary, high-level RFP that
2 we were using to gain information, and kind of
3 base a lot of the detailed financials on. And
4 the "40 years" came back due to the detailed
5 final RFP for this specific location and the
6 specific facility we were looking to build.

7 Q So, in both cases, it was responses from the
8 bidders, right?

9 A (Dusling) Correct. I would say we relied on the
10 solar specialists for assistance with that.

11 Q Is that sort of typical, where you go from 30
12 years, you know, even if it's sort of
13 preliminary, and then you look at the RFP later,
14 that's 40 years? Is that typical? It's quite a
15 move, actually.

16 A (Dusling) I guess I'll defer. You know, we're
17 relying on their expertise in that manner. And,
18 based on, you know, the equipment warranties and
19 everything that are being provided, I don't think
20 the Company, you know, thought 40 years was
21 unrealistic, when you're starting with a 25-year
22 warranty for a PV module. I mean, I think we
23 would all expect those to last longer than their
24 warranty period. You know, and most of the other

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 components are, you know, steel and transformers,
2 you know, we would expect to last 40 years as
3 well.

4 Q Would you agree that the Project life is a
5 performance characteristic?

6 A (Dusling) Yes, I think so.

7 Q You actually listed it, so --

8 A (Dusling) Yes.

9 Q And, so, where I'm going is, have you looked at
10 what the benefit-to-cost ratio would be if you
11 had the Project life assumed at 30, *ceteris*
12 *paribus*, everything else being held constant?

13 A (Francoeur) Just to make sure I understand what
14 you're asking is, what would the net present
15 value or benefit-cost ratio change to assuming a
16 30-year life opposed to a 40-year life?

17 Q Uh-huh.

18 A (Francoeur) Okay. On Hearing Exhibit -- on
19 Hearing Exhibit 5, Bates Page 039, --

20 Q If you just bear with me. Can you repeat the
21 page number again? Sorry.

22 A (Francoeur) Hearing Exhibit 5, Bates Page 039.
23 And, on this page, we're looking at Table 9.

24 Q And I'm essentially looking at Exhibit 4., it's

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 the same thing. And we won't talk about the
2 numbers. That's all. Yes, go ahead.

3 A (Francoeur) Yes.

4 Q They are public numbers. So, that's true. Yes.

5 A (Francoeur) On Table 9, we provided this as sort
6 of an illustrative change from the "as filed"
7 benefit-cost ratio model to the one included in
8 the supplemental filing. There's some of these
9 that are a little bit difficult to quantify,
10 given that the scope of the Project changed, as
11 you pointed out, from 30 to 40 years, and the
12 change in the Investment Tax Credit to the
13 Production Tax Credit. But we did try to shed
14 some light on what the net present value and BCR
15 changes were, specific to some of the design
16 characteristics and tax credits and things of the
17 like.

18 So, included in that table is the
19 "Longer Facility Life", which I believe is the
20 third column down, which shows that the net
21 present value increased approximately 0.8
22 million, and the benefit-cost ratio increased
23 0.5, as a result of moving the Project's life
24 from 30 to 40 years.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Yes. But, overall, if I wanted to get a sense
2 of -- there are some base assumptions you're
3 making about the other variables. And then, you
4 also allowing Monte Carlo to pick up the
5 variability there. If you simply fixed the
6 Project life to be 30 years, I get some sense out
7 of it, but I don't have the answer. Would you
8 think that's a correct characterization? I
9 wouldn't really know.

10 A (Francoeur) It's definitely not -- I'm struggling
11 to understand that.

12 Q So, when you do the Monte Carlo, there are some
13 input variables that you are considering that you
14 will subject to variations. And you assign
15 different distributions to them, and you let
16 the -- I think you said "@Risk", it does the
17 simulation, and it will pick up a lot of things,
18 you know, like differently. So, for example,
19 cap -- you know, it must be somewhere in another
20 table, one of the attributes, it can move, right,
21 in this, in the tornado that you showed, so it
22 can keep moving. But that is all being done by
23 assuming that the Project like this, 40 years?

24 A (Francoeur) Correct. The simulation analysis did

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 not include the expected life as a variable that
2 could change. And I think one of the reasons we
3 did that is because the increase in capital
4 costs, you know, I think speaks to the quality of
5 the materials that lends itself to that higher
6 asset life.

7 But, to answer your question, no, that
8 was not included in the sensitivity analysis.

9 Q So, essentially, you did not do it, and you're
10 sort of giving a reason that -- one of the
11 reasons, that may be the capital costs are
12 already, you know. But it almost feels like, to
13 me, that it might be helpful to have a stress
14 test on even that variable. Okay. And --

15 A (Francoeur) Let me briefly confer with my
16 colleague.

17 Q Yes.

18 *[Witness Francoeur and Witness Sprague*
19 *conferring.]*

20 **BY THE WITNESS:**

21 A (Francoeur) To reiterate what Table 9 is telling
22 us, which maybe I didn't do the best job
23 explaining, I think what we could infer from this
24 table is that the supplemental benefit-cost model

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 included a net present value of 2.5 million.
2 Then, from a high level, we could assume that, if
3 we were to remodel this, holding all else equal,
4 except the 30-year facility life, that the net
5 present value would decrease approximately 0.8
6 million, which would result in an adjusted net
7 present value of 1.7 million.

8 If that helps at all?

9 BY CMSR. CHATTOPADHYAY:

10 Q I think it sort of does, but I'm not a
11 statistician. So, I'm sort of thinking in terms
12 of, when you do a Monte Carlo, that variable
13 being --

14 A (Diggins) Yes, maybe I can try a little bit.

15 Q Yes.

16 A (Diggins) So, when I look at this table, you
17 know, I think it's really trying to walk us
18 through the original model, the 30-year model, to
19 the updated model. And what specific individual
20 components changed and how they affected the
21 modeling. So that, again, what Andre has
22 mentioned, the increased life really increased
23 the net benefit value by the \$0.8 million.

24 I would take that as, it's not a

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 perfect one-for-one isolation, but that was our
2 best attempt to do, I think, what you're asking
3 him to do, is just walk us -- what changed from
4 the 30-year model to the 40-year model.

5 Q So, it's like going from, yes, from 30 to 40,
6 that's the --

7 A (Diggins) That would be --

8 Q -- the increment that you were looking at?

9 A (Diggins) Yes.

10 Q But what I'm saying is -- I understand that.
11 That's useful. But I'm also saying is, when you
12 do a stress test on the number of years, the
13 Project life, you might get a -- and I can't
14 really visualize how that would play out, but
15 that's the point I'm making as an additional
16 comment.

17 A (Diggins) Okay.

18 Q So, that's a different question.

19 A (Diggins) Okay.

20 A (Sprague) I do think you're right that, if we
21 were to add this as another risk in that
22 analysis, that it would have an impact. But,
23 from the 0.8 million, I think the -- I think that
24 0.8 million is representative of the window that

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 we would be in. Will it be a little higher or a
2 little lower? Probably. But that 0.8 million is
3 a good representation of where we would be if we
4 stuck -- if we were a 30-year life.

5 Q Okay. Let's move on to something else. Is the
6 decommissioning cost, is that part of the cost of
7 removal, or is it separately accounted for?

8 A (Francoeur) The decommissioning cost is included
9 to be collected in the revenue requirement every
10 year while the Project is in service. I'm not a
11 depreciation witness necessarily, but I do think
12 that we would expect that the decommissioning
13 expense would be calculated, if it's treated like
14 most utility plant, to be included in a slightly
15 higher depreciation rate to account for the cost
16 of removal.

17 Q And, obviously, I'm not a depreciation expert,
18 nor am I an accountant. So, it's like, maybe you
19 don't have the answer here, but I'm curious
20 whether that is, what you just described, is
21 being handled in the modeling?

22 A (Francoeur) So, we're not treating the
23 decommissioning expense as if it's embedded in
24 depreciation. So, we're just fully depreciating

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 the asset at cost. But we've included a separate
2 line item for -- more so for visibility and
3 transparency to isolate decommissioning expense,
4 and which is typical for a financial modeling of
5 this nature, I believe.

6 Q Another question I have is, will there be any
7 book value left after 40 years? Have you looked
8 at that?

9 A (Francoeur) The primary book value that will be
10 left would be specific to land improvements and
11 land acquisition costs, which won't depreciate.

12 Q Have you internalized that in the analysis here?

13 A (Francoeur) Can you elaborate on "internalized"?

14 Q In sort of does that, if at all it does matter,
15 I'm not sure whether it does, but I'm just
16 asking, whether that has a bearing on the
17 benefit-to-cost ratios that you're --

18 A (Francoeur) The existing net book value of land
19 improvements and land acquisition don't have a
20 bearing, *per se*, on the benefit-cost ratio, other
21 than that customers will have to provide the rate
22 of return on that net book value throughout the
23 life of the Project.

24 So, customers are going to make

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 investors whole for the investment in the land
2 that the solar facility will sit on for the
3 40-year period.

4 Q Beyond 40 years?

5 A (Francoeur) At Year 41 -- let me briefly confer
6 with my colleagues on that one.

7 Q Okay.

8 *[Witness Francoeur, Witness Sprague,*
9 *and Witness Dusling conferring.]*

10 **BY THE WITNESS:**

11 A (Francoeur) So, to answer as succinctly as I
12 hopefully can, that, in Year 41, when the
13 facility is fully decommissioned, and there's
14 this net book value that the Company has for land
15 improvements and land acquisition, that existing
16 net book value has no impact on the benefit-cost
17 ratio results.

18 BY CMSR. CHATTOPADHYAY:

19 Q Okay. And I'm struggling whether that should be
20 somehow internalized. So, let's -- I'll just
21 stop there. That's fair.

22 This is the last question. It's an
23 easy one. So, tell me what is a "racking
24 equipment"? And explain it in a way that I don't

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 have to rack my brain.

2 A (Dusling) The "racking equipment" is the steel
3 components that support the PV modules
4 themselves.

5 Q Uh-huh.

6 A (Dusling) So, it's the steel structures that come
7 out of the ground and that the modules are
8 mounted to, and it also includes, in this case,
9 the motor and assembly that makes them turn.

10 Q So, it's like a standard equipment everywhere?
11 I'm just curious what it is?

12 A (Dusling) I will say every PV facility has them.
13 I think they are different, depending on the
14 manufacturer and the style selected. And their
15 installation and how they're designed is
16 different, depending on what's selected.

17 But, yes. There's some sort of racking
18 associated with every PV, ground-mounted PV
19 installation.

20 Q And the bidders responded by giving you a sense
21 of the project life of those, right?

22 A (Dusling) Correct. Yes.

23 Q Has the Company done any research on, you know,
24 what they are usually, or you're just totally

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 dependent on -- depended the answer on the
2 bidders?

3 A (Dusling) In this case, the ones that are being
4 proposed for this facility are just, you know,
5 steel posts that are screw-anchored into the
6 ground, the same steel that we use for substation
7 steel or anchors in the ground, and we would
8 typically expect to have a 40-year life plus out
9 of those.

10 The motors themselves, we're relying on
11 the warranty information. But that's, you know,
12 one of the big reasons why we added that half a
13 percent replacement in the first 10 years after
14 the warranty expires, and then the full 1 percent
15 in the final years. So, that's the reasoning
16 behind that.

17 CMSR. CHATTOPADHYAY: Thank you. I
18 will -- I usually don't do this, but I will
19 commend, you know, the supplemental testimony
20 that went into the risk analysis, that was
21 extremely helpful. So, thank you for that.

22 That's all.

23 CHAIRMAN GOLDNER: Thank you. Maybe
24 I'll just go for five minutes, and then we'll

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 take a break.

2 BY CHAIRMAN GOLDNER:

3 Q I also have a few questions on the 30- to 40-year
4 life. And I know that -- I know that ReVision
5 represented to you that 40 years was reasonable.
6 But 40 years ago we were in the first Reagan
7 Administration. So, I'm sort of wondering how
8 they know about 40 years?

9 I assume they do some kind of
10 accelerated life test or they've got some data
11 that they shared with you that -- that gave you
12 confidence in the 40 years. I'd just like the
13 Company to comment.

14 A (Dusling) Yes. I think, in general, based on our
15 discussions with them, you know, to date, you
16 know, the facilities that they maintained and
17 have installed, you know, they have indicated
18 they have had to replace less than, you know, a
19 tenth of a percent of what's out there for
20 modules, racking equipment. You know, they have
21 also seen that the inverters typically last
22 through what their anticipated life is.

23 You know, from our perspective, I
24 think, you know, on our assets, we typically

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 expect them to last longer than their warranty
2 periods as well. And, you know, when we talked
3 about, you know, future O&M replacements, I think
4 going to that, from that 30- to 40-year life, is
5 also another reason why we added some of that
6 additional O&M going forward, the need to replace
7 some of the motors, additional modules,
8 throughout the life, to kind of extend that life
9 period from 30 to 40 years.

10 Q Yes. I'm just -- I'm not able to understand
11 ReVision's representations. So that I know they
12 explained that to you, and I know that, in the
13 early life, they didn't -- none of these solar
14 arrays were installed in 1983, I'm sure. So,
15 they're making representations to you, you've
16 trusted those representations. And I'm just
17 trying to understand if they've shared any data
18 with you on accelerated life test, or something
19 else that they have done to give you confidence,
20 not in Year 1 or Year 5 or Year 10, but in Year
21 30 or Year 40?

22 A (Francoeur) No, I have not seen any accelerated
23 life tests or anything like that.

24 Q Okay.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Francoeur) No.

2 Q Hmm. That may be something to -- something to
3 study.

4 Okay. I'm also interested in the
5 physical disposal of the solar arrays. So, some
6 of them stop working in Year, you know, 5 or 10
7 or 15 or 20, that's not going to be very many.
8 But, in Year 40, you'll throw them all away. How
9 do you physically dispose of a solar array? Has
10 that been sorted out, heavy metals and so forth?

11 A (Dusling) To the best of my knowledge, I think
12 they would scrap any of the metals. And I think
13 they do salvage a lot of the solar panel
14 components and recondition them in some cases.

15 Q Has ReVision given you any information or made
16 any representations about how they would dispose
17 of the arrays, I mean, specifically? I
18 understand, in general, they would try to recover
19 heavy metals and do those kinds of things, and
20 throw the rest in the landfill. But I'm just
21 trying to understand if they have given you any
22 specifics on that?

23 A (Dusling) Not that I recall, no.

24 Q Okay. You mentioned before, I think, that New

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Hampshire Department of Environmental Services
2 have -- you've been in contact with them. Have
3 you discussed with them the disposal plans
4 specifically at this point?

5 A (Dusling) No. They have not asked anything
6 regarding that at this point.

7 Q Okay. Okay. And I know -- I know this isn't a
8 nuclear plant. But, in nuclear plants, often
9 there's a bond, and there's some money that's put
10 away in that sort of regard.

11 Can you maybe walk me through the
12 thought process, in terms of the decommissioning?
13 I realize it's not as expensive as a nuclear
14 plant. You're taking some, I think, accruals as
15 you go. But, just maybe from a financial
16 perspective, if you could walk me through that, I
17 would appreciate it?

18 A (Francoeur) For this asset, as you allude to,
19 it's not significant enough to require some
20 retirement fund. But the cost of removal or the
21 net salvage value, I do believe would be included
22 in the depreciation rate. So, essentially,
23 customers would finance the removal and
24 decommissioning cost over the life of the

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Project.

2 Q Okay. Okay. And then, maybe just one last
3 question before the break. I'm also following up
4 on Commissioner Chattopadhyay's question on the
5 land value.

6 So, at the end of all this, you've
7 decommissioned it, you've got, what is it, 20
8 something acres, I think, of land. That land has
9 some value. Does that accrue to the Company's
10 shareholders or how is that, you know, accounted
11 for?

12 A (Francoeur) Let me briefly confer with my
13 colleague.

14 *[Witness Francoeur and Witness Diggins*
15 *conferring.]*

16 **BY THE WITNESS:**

17 A (Francoeur) We haven't proposed how we're going
18 to handle the net book value of the land upon
19 decommissioning of the solar facility, and aren't
20 necessarily prepared to answer how we might
21 propose that in the future, as of today.

22 CHAIRMAN GOLDNER: Okay. So, let's
23 take a fifteen-minute break.

24 If you could, as a Company, further

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 confer on that question. We don't -- we prefer
2 not to leave hearings with record requests and
3 those kind of things. So, it's best to maybe
4 confer and sort things out before we leave today.
5 So, if you could confer, I'd appreciate it.

6 Let's return at 10:45. Thank you.

7 *(Recess taken at 10:31 a.m., and the*
8 *hearing resumed at 10:49 a.m.)*

9 CHAIRMAN GOLDNER: Okay. We'll go back
10 on the record.

11 BY CHAIRMAN GOLDNER:

12 Q And I think we left it with the question on land.

13 A (Francoeur) So, we did briefly confer about this
14 issue. And we have a couple points to make.

15 The first is, it's unclear now what we
16 would do with this site 40 years from now. The
17 options could be to decommission the existing
18 solar facility and lay down another one, other
19 utility purposes, or a sale.

20 So, in the event of a sale, there would
21 be a potential gain or loss on the sale. And we
22 would, for regulatory ratemaking purposes, treat
23 that gain or sale subject to whatever the
24 Commission or legal precedent is at that time.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Okay. And using today's rules, how would it be
2 treated? So, let's say you sold the land in 40
3 years, using today's rules, for \$10 million. How
4 would that 10 million be treated?

5 *[Witness Francoeur and Witness Diggins*
6 *conferring dig.]*

7 **BY THE WITNESS:**

8 A (Diggins) As we understand the legal rules right
9 now, that it is the shareholders' risk for any
10 gain or loss on the sale of a piece of property,
11 since that property isn't depreciated, and
12 ratepayers aren't actually funding -- or, funding
13 the property. When there is a book gain or loss
14 on that sale, it is -- it is returned to
15 shareholders.

16 BY CHAIRMAN GOLDNER:

17 Q Okay. Okay, thank you for that clarification.

18 A follow-up question relative to
19 stranded costs. If we go to, I think it's
20 Exhibit 4 or 5, it's not redacted, Bates Page
21 155, I'll give you a moment to get there.

22 So, if we look at items like "PV
23 Modules" and "Racking Equipment" that are being
24 installed in years -- in the late years, let's

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 say, 31 through 40 on this page, wouldn't those
2 become stranded costs at the end, because you're
3 installing something late in its life, it's not
4 fully depreciated, so then it becomes stranded,
5 correct?

6 [Witness Francoeur and Witness Diggins
7 conferring.]

8 **BY THE WITNESS:**

9 A (Francoeur) Based on our discussion and
10 understanding is it would likely -- any
11 undepreciated cost as the asset life near an end
12 would likely be picked up as some amortization of
13 an asset during a depreciation study, you know,
14 during the pendency of a rate case.

15 BY CHAIRMAN GOLDNER:

16 Q Okay. And then, how would it be treated in the
17 rate case?

18 A (Francoeur) I think, again, as a non-depreciation
19 witness, it would be potentially considered a
20 depreciation reserve imbalance, which would be
21 treated as a regulatory asset for recovery.

22 Q Okay. Does anyone else have any comments on that
23 topic?

24 A (Goulding) I am not a depreciation witness. But

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 that's how I would view it, too. It would roll
2 into the buckets that would be reviewed as part
3 of the depreciation study. And, as Andre -- as
4 Mr. Francoeur said, it could be picked up as part
5 of the depreciation reserve imbalance.

6 Q Okay. Happily, for all of us, I am also not a
7 depreciation expert.

8 *[Laughter.]*

9 BY CHAIRMAN GOLDNER:

10 Q So, can you explain to me how that stays out of
11 the "stranded cost" category, or could stay out
12 of the "stranded cost" category?

13 A (Goulding) So, you've -- during normal
14 ratemaking, you do have assets that are retired
15 prior to them being fully depreciated, and this
16 would be a similar type asset, if it got to the
17 ends of its -- at the end of the life of the
18 Project, and the asset had not been fully
19 depreciated or sold for some kind of salvage
20 value, it would fall into a "retirement"
21 category, as the solar facility is shut down and
22 decommissioned.

23 Q Okay. Okay. Thank you. That's helpful.

24 Okay. Let's go to Exhibit 4, Bates

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

- 1 Page 044. There's a nice discussion there on
2 "construction and cost risk". And, so, I'd like
3 to understand if you have any cost containment
4 structures in your contract with ReVision, or
5 anything else, that controls the forecasted cost?
- 6 A (Dusling) So, I don't think there's anything
7 explicit in our contract with ReVision. Our
8 expectation is, you know, if the pricing were to
9 change when we make formal purchase orders, at
10 that point they would become fixed, and we would
11 continue to make sure that the Project is still
12 economically feasible before moving forward with
13 those purchases.
- 14 Q Okay. So, the risk would really be late in the
15 process, you're 5, you're 10, you're \$15 million,
16 or \$12 million in, and there's a cost overrun or
17 some kind of issue, you would be at risk there,
18 because you might have a cost overrun, and you're
19 already deep into the Project?
- 20 A (Dusling) Yes, I would say that's where the
21 predominant risk is. You know, all the major
22 equipment and everything will be fixed pricing at
23 the time of purchase.
- 24 Q Okay. Thank you.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Okay. So, I have some questions
2 relative to the PTC, the federal government
3 credit, and then the RECs. Can -- is there
4 anywhere in the filing that quantifies the
5 present value of those government credits,
6 whether it be from the federal government or the
7 state government? Is there a present value
8 calculation for those, those credits?

9 And, if not, I'll ask for the Company
10 to resolve those calculations at lunchtime, just
11 so that we don't leave the proceeding without the
12 numbers. And it's okay if you don't have them
13 now, but I'd like to understand what the present
14 value is of the credits, and how that would
15 affect the NPV if those weren't there?

16 A (Francoeur) Top of mind, I can't about the -- I
17 can't think of where the net present value would
18 be in the record. But I can certainly calculate
19 that during the lunch break.

20 Q Thank you. Yes. That would be very helpful.
21 I'll just mark it accordingly.

22 There's a discussion, I have it in my
23 notes at -- in Exhibit 7, Bates 008, but anyone
24 can answer the question. And I guess I'll start

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 with the Company.

2 There's a discussion of adjacent land
3 for a potential energy storage. Can the Company
4 elaborate on what it has in mind there?

5 A (Dusling) I don't think we fully know at this
6 stage. We do know the facility we're building,
7 we're going to try to reserve enough space and
8 design it in a way that energy storage could be
9 integrated in the future. We just want to make
10 sure we're not doing anything that would cause us
11 any unforeseen difficulty integrating energy
12 storage down the road.

13 Q I can't help but ask, in terms of how that would
14 work. I guess you would have some land available
15 for the storage facility. I guess you would be
16 using, you don't know, but some kind of large
17 lithium battery. You would transfer the energy
18 from the solar arrays to the battery DC, --

19 A (Dusling) Yes.

20 Q -- and then you would need another set of
21 inverters, in case you wanted to use all the
22 power at the same time. Am I getting that right,
23 more or less?

24 A (Dusling) I think that would -- I think we'd have

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 to review the statute a little bit. I think our
2 initial thought would be they would be integrated
3 on the DC side of the inverters, and use those
4 same inverters to export the energy. So, the
5 facility would not be exporting more than the
6 4.875 megawatts of nameplate inverter capacity.

7 Q Ah. And that's a function of the statute, not an
8 engineering function. If it was an engineering
9 function, you might add inverters. But, because
10 of the statute, you would have to keep it under 5,
11 is that right?

12 A (Dusling) That's my understanding, yes.

13 Q Okay. That's very helpful. Thank you.

14 I've seen a lot of solar arrays in the
15 desert Southwest, just driving along, you see a
16 lot of them; not as many in New England, snow and
17 ice and these kinds of things. What's the
18 Company's process? How do you deal with snow and
19 ice on the arrays? Do you have a company that
20 comes and cleans them off? How do you do that?

21 A (Dusling) So, in this case, these being
22 single-axis trackers, when they have -- there's
23 weather stations installed on the site. Yes.
24 So, when they see more than I think it's five or

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 six inches of snow, they rotate so they're fully
2 60 degrees inverted, so the ice and snow would
3 essentially slide off of them. And then, once
4 the snow melt gets beyond the level in which they
5 can rotate again, they will automatically start
6 rotating again.

7 Q Interesting. Thank you. That's very helpful.

8 And, for me, it's been, you know, 30
9 years since Electrical Engineering class. So, I
10 need a refresher on how a string inverter works,
11 relative to a central inverter, and what the
12 advantages are. Can you maybe give an executive
13 summary for the layperson, in terms of your
14 decision to go from a central inverter to a
15 string inverter, and the benefits of that?

16 It wasn't -- your testimony was
17 excellent, but it's not that clear to a
18 mechanical engineer.

19 A (Dusling) Right. So, the central inverter is,
20 you know, typically, for a facility of this size,
21 it would be one, two, maybe three large inverters
22 that, you know, if one had to be taken down for
23 maintenance, or one were to be replaced, you were
24 going to take down a half or a third of your

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 production.

2 The string inverters are much smaller.
3 Individually, they're cheaper. They're easier to
4 move around and install. And, in those cases, if
5 we were to have a failure of one inverter, you
6 just take that one inverter off line. So, it's
7 only 100 -- I think it's 125 watts that's out of
8 service, kW out of service, instead of a third of
9 the production of the facility.

10 Q I see. So, the string inverters, I was, you
11 know, picturing something that was stepping the
12 voltage through two or three inverters, but
13 that's not what it's doing. It's just -- these
14 are just -- you're just buying more inverters to
15 do the same function?

16 A (Dusling) Right. Think of it as, you know, you
17 might have two or three transformers feeding them
18 all, opposed to one large transformer; the same
19 type of scenario with inverters.

20 Q Okay. Thank you. Thank you. Very helpful.

21 Okay. Before I go to my last series of
22 questions, just one on Exhibit 4, Page 54. Let
23 me get there, the Monte Carlo. Okay. And,
24 actually, I'll start a little higher than that.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 I'll start on Page 52.

2 So, in the -- I notice, I might have
3 this incorrect, but, in the stress test, you used
4 the initial depreciable capital cost, and worked
5 on that in the stress test. But I don't think it
6 was in your Monte Carlo. Is there a reason that
7 it was excluded or am I incorrect that it was
8 excluded?

9 A (Francoeur) I do believe the depreciable cost was
10 included as one of the key variables. And that's
11 on -- I think on that same Hearing Exhibit 4,
12 Bates Page 059, and a number of those pages.

13 Q Fifty-nine. Can you point to which line? I
14 couldn't -- because I'm talking about here the
15 13.9 million going to 15.something million
16 capital cost.

17 A (Francoeur) Yes. So, for this specific variable,
18 depreciable capital cost, the base case input, if
19 you will, was 100 percent of our assumed and
20 as-modeled capital costs. And the downside,
21 reducing capital costs, was set at 95 percent,
22 so, a five percent savings. And then, cost
23 overruns were set to 115 percent.

24 So, the Monte Carlo did allow for

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 changes in the depreciable cost using a
2 triangular distribution.

3 Q Okay. Okay. Thank you. And then, you have this
4 on the graph on Page 57, it's probably on the
5 other one, too, 56 or 57, a red bar at the top
6 that shows that the probability of let's call it
7 "success" here, having a positive NPV, is 84.3
8 percent. That's correct?

9 A (Francoeur) That's correct.

10 Q Okay. Okay. And, yes, I'll mirror my fellow
11 Commissioners' compliments. I think the
12 analysis, with both the stress test and, in
13 particular, the Monte Carlo is excellent. And I
14 think my compliments on this work. This was
15 extremely helpful and well done. So, thank you.

16 Okay. Let's go, I just have one last
17 series of questions. So, I'd like to move to the
18 shareholder point of view. We talked about it a
19 little bit earlier, with respect to the land.
20 But I'd like to just hear some general comments
21 on why shareholders support the Project, and,
22 just at a high level, what do they get out of it?

23 *[Witness Francoeur and Witness Diggins*
24 *conferring.]*

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 **BY THE WITNESS:**

2 A (Diggins) Yes. The Company, as well as its
3 shareholders, looking at this Project really as
4 somewhat of a typical utility asset construction
5 project, that is allowed to earn its normal cost
6 of capital/rate base return.

7 You know, we are also, you know, in an
8 environment where there are environmental,
9 social, economic attributes that this Project has
10 additional advantages to, especially the
11 environmental side of things. You know, you've
12 heard about the indirect benefits, as well as
13 direct benefits.

14 So, the Company is also -- has its own
15 program of environmental reduction of greenhouse
16 gas emission targets and things like that. So,
17 endeavoring on a project that not only can
18 provide a return to shareholders, that the return
19 that is expected, I guess, of shareholders, but
20 also provides additional benefits, is something
21 of great value to the Company.

22 BY CHAIRMAN GOLDNER:

23 Q Okay. Thank you. And I'll focus in a little bit
24 on the financial benefits, and I'm using, I hope,

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 the right numbers here. I'm showing "13.9
2 million" on Exhibit 4, Bates 052, in the capital
3 cost, it gets a rate of return. And, if I have
4 the wrong number, please let me know.

5 And, so, from a shareholder
6 perspective, and I'll just say that, you know,
7 you're 50/50 debt/equity, right? And, so, your
8 shareholders get a return on their 50 percent of
9 9.something. So, to your point, it's sort of a
10 conventional utility investment, where the
11 shareholders put up 14 million up front, and they
12 get a return on that investment per your weighted
13 average cost of capital, but, specifically, the
14 return on equity from a shareholder point of
15 view.

16 A (Diggins) Correct.

17 Q That's a fair summary?

18 A (Diggins) Yes.

19 Q Okay. So, when I look at the modeling that
20 you've done, and I think about this, what's in
21 your control and what's not in your control, you
22 don't control the price of electricity, I'm
23 pretty sure. So, that's not in your control.
24 There's a lot of the factors that you've laid in

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 here that really aren't under your control. The
2 thing that is under your control is how much the
3 facility costs to implement. And, of course,
4 there is the attribute or aspect of it that, if
5 you end up spending more than forecasted, your
6 shareholders get a rate of return on that, and
7 that eats into the NPV of the Project. So, it's
8 sort of a strange attribute to it. Like, in
9 other words, the Company is rewarded, and I'm not
10 suggesting you would do this purposefully, but
11 the Company is rewarded for spending more than is
12 forecasted, because you get a rate of return on
13 that. It's just an attribute.

14 So, my question for the Company would
15 be, would the Company be open to a spending cap
16 on something that you control, in terms of a
17 piece of keeping the costs under control, or
18 keeping the NPV positive on this Project?

19 A (Diggins) I do believe the Company has every
20 indication of moving -- only moving forward with
21 the Project that would be NPV positive, providing
22 direct benefits to customers.

23 As Jake mentioned before, as we get
24 further and further down this Project, a big bulk

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 of these costs are going to be known and fixed.
2 I mean, obviously, there are some outliers out
3 there. But, you know, we will be doing the best
4 we can to kind of maintain and contain those
5 costs within our, you know, our existing forecast
6 that we have right now.

7 And, so, we will continue to monitor
8 and analyze costs.

9 Q Yes.

10 A (Sprague) So, one of the reasons why we've taken
11 the approach that we've taken here, with the
12 "two-stage approval process", I'll call it, is,
13 one, we think we brought forth a project that is
14 in the best interest of the customers, based upon
15 all the information that we have in front of us.

16 As we've shown, there are a lot of
17 variables to it. Over the next couple of years,
18 there will be a lot of variables to it. But the
19 second approval, the Company still runs the risk
20 of prudence. And that's why we have that second
21 review. No different than any other capital
22 improvement that we do. It is, as long as the
23 Project is implemented prudently, and executed
24 within the reasonableness of our control, then,

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 generally, the Commission sees that that was, you
2 know, prudently managed.

3 I think we would say, in this case,
4 this Project should be handled in a similar
5 manner. That, rather than set a hard-and-fast
6 cap at this point in time is, in that evaluation
7 phase or that prudence phase, we'll have even
8 more information that will -- that would feed
9 into the cost-benefit of this. It's not just the
10 cost. There are portions of the costs we don't
11 control; there are portions of the costs we do
12 control. But there is also a lot that we don't
13 have control of.

14 Overall, we think we've put forth a
15 beneficial project to the customers, to the
16 Company itself. So, at this point in time, I
17 would say that, that as opposed to the cap, I
18 would say we would favor the review of prudence
19 at the time that we come in to seek recovery.

20 CHAIRMAN GOLDNER: And the challenge
21 here, from a regulator perspective, is that, if
22 you look at what the Company is investing in, and
23 from a shareholder point of view, the shareholder
24 has, subject to the prudence review,

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 post-prudence review, almost a guaranteed rate of
2 return, right? It's a pretty safe return as
3 returns go. And, of course, the Company gets
4 9.something percent return on equity for that
5 investment that's now pretty safe. So, you know,
6 that's kind of one piece of it.

7 From a ratepayer point of view,
8 there's, and the Finance team can correct me if I
9 get this wrong, but that 2.5 positive NPV accrues
10 to the ratepayer, right? So, the ratepayer
11 benefits if you execute the plan as you've
12 outlined.

13 And then, I'm looking again at the --
14 at your modeling. And it shows, you know, again,
15 an 84 percent chance of a positive NPV, but, you
16 know, also a 16 percent chance of a negative NPV.

17 And, so, from a regulation perspective,
18 you struggle with "Okay, if Unitil executes this
19 plan, it looks really good. If Unitil doesn't
20 execute, something goes awry, then it looks
21 really bad." So, that's the concept of a cap, to
22 give some confidence that we'll be able to stay
23 in the positive zone. So, that's the reason I
24 asked the question.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 And I would like to hear from the other
2 parties in closing, in particular, the Department
3 of Energy, but also the OCA and Clean Energy New
4 Hampshire, if that's something that they would
5 advise for or against, in terms of some kind of a
6 spending cap.

7 Okay. I'll turn to my fellow
8 Commissioners, to see if there is anything they
9 would like to follow up on?

10 Commissioner Chattopadhyay.

11 CMSR. CHATTOPADHYAY: I do.

12 BY CMSR. CHATTOPADHYAY:

13 Q So, let's go back to the discussion about
14 "stranded cost". So, in a scenario where you are
15 replacing equipment, and by the end of the
16 overall Project, the end of the 40th year or 41st
17 year, you no longer -- you still have that
18 equipment not fully depreciated. So, and, you
19 know, we were -- so, you were talking about that
20 scenario.

21 Does the modeling take account of the
22 stranded cost in the benefit-to-cost analysis?

23 A (Francoeur) The financial model does not account
24 for the recovery of any undepreciated plant.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Q Is there a way to do that, like some sort of a
2 proxy for it?

3 And maybe the needle doesn't move much,
4 but just out of curiosity.

5 A (Francoeur) That's probably something that we
6 could calculate. And I think you're probably
7 right, that, in Year 40, on a Discounted Cash
8 Flow basis, it's probably not moving the needle
9 too, too much.

10 CMSR. CHATTOPADHYAY: Thank you.

11 CHAIRMAN GOLDNER: Okay. So, that
12 completes the Commissioner questioning period.

13 And we'll move to Unitil redirect, if
14 any?

15 MR. CAMPBELL: Could I have a ten to
16 fifteen-minute break just to confer with my
17 colleagues on that?

18 CHAIRMAN GOLDNER: Of course. Let's
19 take a break from, it's 11:15 now, we'll take a
20 break till 11:30, and resume with Unitil
21 redirect.

22 MR. CAMPBELL: Thank you.

23 *(Recess taken at 11:15 a.m., and the*
24 *hearing resumed at 11:35 a.m.)*

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 CHAIRMAN GOLDNER: Okay. We'll go back
2 on the record with any Unutil redirect.

3 MR. CAMPBELL: Yes. And I do have one
4 preliminary matter, if that's okay?

5 Mr. Francoeur has had an opportunity to
6 calculate the present value of the PTC credit.
7 He can give you that result now, if you'd like?

8 CHAIRMAN GOLDNER: Thank you. Perfect.

9 WITNESS FRANCOEUR: We calculate the
10 present value of the Production Tax Credit and
11 the tax gross-up associated with the flowback of
12 that in the revenue requirement to be
13 approximately _____.

14 CHAIRMAN GOLDNER: Thank you.

15 BY CHAIRMAN GOLDNER:

16 Q And then, did you have one also for the RECs, and
17 that is -- I think you've made the RECs a
18 proprietary number, so that would be a
19 confidential calculation. But we have no members
20 of the public in the room. So, I think, as long
21 as we highlight that as confidential, you can
22 share the number.

23 MR. CAMPBELL: Although, pardon me,
24 Chair Goldner, not to single out Clean Energy New

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 Hampshire, but I don't think they're privy to the
2 confidential information.

3 CHAIRMAN GOLDNER: Okay.

4 MR. SKOGLUND: I can step out.

5 CHAIRMAN GOLDNER: Thank you,
6 Mr. Skoglund.

7 [Laughter.]

8 CHAIRMAN GOLDNER: I think you hurt his
9 feelings.

10 **[Beginning of CONFIDENTIAL Session]**

11 CHAIRMAN GOLDNER: Go ahead, please.

12 WITNESS FRANCOEUR: Give us five
13 seconds.

14 CHAIRMAN GOLDNER: Sure. Take your
15 time.

16 WITNESS FRANCOEUR: Just to cross
17 reference.

18 CHAIRMAN GOLDNER: Thank you. And,
19 when we finish, Mr. Iqbal, if you could grab
20 Mr. Skoglund, I'd appreciate it. Thank you.

21 **BY THE WITNESS:**

22 A (Francoeur) The present value of the REC to be
23 included in the direct customer benefits is
24 approximately _____.

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 BY CHAIRMAN GOLDNER:

2 Q _____. And is that a complete assessment
3 of all of the federal and state subsidies? Is
4 there anything that would be a remainder for that
5 or is that a complete picture?

6 A (Francoeur) The _____ reflects the REC II
7 rates, which I believe is in New Hampshire, and
8 then the _____ is the Production Tax
9 Credits, which is a federal tax benefit. And,
10 right now, I can't think of any others.

11 Q Okay. And I see a lot of heads nodding up and
12 down. Okay. Very good.

13 So, can you remind me also what the PV
14 is of the Project? Was it 16.8? I don't have it
15 in front of me.

16 A (Francoeur) The present value of the direct
17 customer benefits is 19.3 million.

18 Q 19.3. So, if not for the credits, help me with
19 the math here, that would be 7.4. So, it would
20 be about -- 11.9 million would be the present
21 value, the gross present value of the Project,
22 net of the tax benefits?

23 In other words -- let me do it
24 differently. So, the PV of the Project today is

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 plus 2.5. And, but for the federal and state tax
2 credits, the net present value of the Project
3 would be minus 4.9, correct?

4 A (Francoeur) I want to clarify that I don't think
5 the Renewable Energy Credits are a tax credit.
6 The only tax credit are specific to the
7 Production Tax Credit.

8 Q Thank you. No, thank you for the clarification.
9 I'm just trying to look at the subsidies that the
10 Company is receiving. And, if the subsidies
11 were, for whatever reason, not available, they
12 went away tomorrow, what would the NPV of the
13 Project be?

14 A (Francoeur) Okay.

15 Q I think the answer to that is minus 4.9 million,
16 but I'd like to verify that?

17 A (Diggins) I mean, I'd have to say the level is
18 4.9 million.

19 CHAIRMAN GOLDNER: Thank you. Okay.
20 So, negative 4.9.

21 Okay. Mr. Iqbal, if you could grab
22 Mr. Skoglund, I'd appreciate it. We'll just wait
23 for Mr. Skoglund to return.

24 **[End of CONFIDENTIAL Session]**

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 *[Short pause.]*

2 CHAIRMAN GOLDNER: Okay. Thank you for
3 the opportunity. Attorney Campbell, please
4 proceed.

5 **REDIRECT EXAMINATION**

6 BY MR. CAMPBELL:

7 Q Mr. Dusling, the Commission asked you some
8 questions about the assumed 40-year life of the
9 Project. Do you recall that?

10 A (Dusling) Yes, I do.

11 Q And does the Company plan to enter into an O&M
12 agreement with ReVision Energy?

13 A (Dusling) Yes. At this stage, our plan is to
14 enter into an O&M agreement with ReVision Energy
15 that will include annual -- I mean, daily
16 monitoring of the facility remotely. Anything
17 that they seem out-of-the-ordinary, they would
18 then investigate, either remotely or on-site,
19 depending on what is needed. And that also
20 includes a detailed 80-point annual inspection,
21 along with, you know, other O&M associated items.

22 Q Thank you. And, in your view, does a robust O&M
23 plan help ensure that the Project will operate
24 for its projected design life?

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 A (Dusling) Yes. The goal of that O&M plan is to
2 catch any anomalies early on, so it can be
3 repaired and, you know, not cause any other
4 issues throughout the facility. And our intent
5 would be that, you know, ReVision would continue
6 to perform those responsibilities throughout the
7 life of the Project.

8 Q And does the Company plan to maintain a stock of
9 spares for the Project?

10 A (Dusling) Yes. At this stage, we plan to stock
11 spare modules, spare inverters, so we can
12 minimize downtime. Those would all be kept at
13 our Exeter, New Hampshire, Operations Center.

14 Q Thank you, Mr. Dusling. And, Mr. Francoeur, has
15 the Company included in its benefit-cost model
16 any costs for the replacement of equipment beyond
17 its warranty period?

18 A (Francoeur) Yes. As a result of some of the
19 feedback from the intervenors, we added
20 maintenance, capital maintenance expense, to
21 occur after the warranty periods end, which
22 should support the design characteristics of the
23 Project throughout the 40-year life.

24 Q And that estimated funding goes out through the

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 40th year of the Project, is that correct?

2 A (Francoeur) That is correct.

3 Q And, Mr. Francoeur, before the break, there was
4 some questions from the Commission about the
5 salvage value of the Project. Do you recall
6 that?

7 A (Francoeur) The salvage value in the stranded
8 costs?

9 Q Correct. Thank you for that clarification, the
10 stranded cost.

11 A (Francoeur) Yes. And to elaborate a little bit
12 on the stranded cost is, you know, first, those
13 maintenance capital repairs we added was to add a
14 degree of conservatism, and is done in a modeling
15 perspective, which may not match reality from
16 time to time. For example, in the 40th year, we
17 may not spend 200,000 on new modules a month
18 before the scheduled decommissioning of the solar
19 facility.

20 However, in the event that we did
21 continue to put new capital into the Project as
22 we get closer to the point of decommissioning, it
23 would likely have the impact of increasing the
24 net salvage value of the Project, which would

[WITNESS PANEL: Sprague, Dusling, Francoeur,
Diggins, Goulding, Pentz & Pierce]

1 lower the decommissioning expense, and help to
2 offset any of that stranded cost.

3 And, if -- as the Project is currently
4 modeled, we estimate that the present value of
5 the stranded cost, again, in the supplemental
6 benefit-cost ratio, would be approximately
7 \$100,000 or less.

8 MR. CAMPBELL: Thank you,
9 Commissioners. That's all the Company has for
10 redirect.

11 CHAIRMAN GOLDNER: Okay. Thank you
12 very much.

13 At this time, we'll excuse the Company
14 witnesses, and invite the DOE witness panel to
15 take the stand to be sworn in by the court
16 reporter.

17 And, please, a special thanks to your
18 Monte Carlo simulation guy, whoever that is,
19 please, donuts and bagels tomorrow. Or gal,
20 whoever it was.

21 (Whereupon **Elizabeth R. Nixon** and
22 **Mark P. Toscano** were duly sworn by the
23 Court Reporter.)

24 CHAIRMAN GOLDNER: Thank you. We'll

[WITNESS PANEL: Nixon|Toscano]

1 begin with Attorney Young, and any DOE direct.

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

3 So, I have a series of questions,
4 first, I'd like to ask the witnesses. I think
5 I'd like to ask the questions once, and have the
6 two witnesses answer one after the other. I
7 think it's probably an efficient way to proceed.

8 So, having said that, I think I'll
9 start with the witness that's closest to me
10 answer first.

11 **ELIZABETH R. NIXON, SWORN**

12 **MARK P. TOSCANO, SWORN**

13 **DIRECT EXAMINATION**

14 BY MR. YOUNG:

15 Q So, the question to each of you, could you please
16 identify yourself by stating your name, your
17 employer, and your position please?

18 A (Nixon) My name is Elizabeth Nixon. I'm the
19 Electric Director at the Department of Energy.

20 A (Toscano) My name is Mark Toscano. I am a
21 Utility Analyst with the Department of Energy.

22 Q And have you reviewed the Company's filing in
23 this docket?

24 A (Nixon) Yes.

[WITNESS PANEL: Nixon|Toscano]

1 A (Toscano) Yes.

2 Q Thank you. And, looking at the document that has
3 been marked for identification purposes as
4 "Exhibit 7", and which is titled "New Hampshire
5 Department of Energy Testimony of Mark P. Toscano
6 and Elizabeth R. Nixon", did you assist in the
7 preparation of this joint testimony?

8 A (Nixon) Yes.

9 A (Toscano) Yes.

10 Q And do you have any corrections or updates to
11 make to the testimony at this time?

12 A (Nixon) I do not.

13 A (Toscano) No corrections.

14 Q Great. And do each of the witnesses adopt the
15 joint testimony as their sworn testimony today in
16 this proceeding?

17 A (Nixon) Yes.

18 A (Toscano) I do.

19 Q Great. Thank you. So, Mr. Toscano, turning to
20 Exhibit 7, specifically on Bates Page 007,
21 Lines 5 to 8, there's a mention of how the
22 Company took some of the Department's feedback
23 from the technical sessions and incorporated the
24 Department's suggestions into their assumptions

[WITNESS PANEL: Nixon|Toscano]

1 and evaluations of the final RFP and contractor
2 selection. I believe that Commissioner Simpson
3 may have alluded to this earlier, and I believe
4 Mr. Francoeur spoke to it. But could you briefly
5 explain what the Department was focusing on here
6 maybe in a little more detail?

7 A (Toscano) Certainly. So, the Department
8 submitted feedback, which included the bidding
9 information of the estimated output of the solar
10 panels, in particular, over time; to also -- a
11 suggestion to include some higher O&M costs,
12 operations and maintenance costs, in particular,
13 over time as time went on; and also to include --
14 suggestions to include some vegetation management
15 for things that grow underneath these solar
16 panels; and to include an allowance, or some kind
17 of allowances for capital renewal over time.

18 Q Great. Thank you. And then, really, just one
19 final question for the two of you. Based on what
20 you heard today, was there anything from that
21 testimony that you would like to add?

22 A (Nixon) I have nothing.

23 A (Toscano) Nothing further to add.

24 MR. YOUNG: Okay. Thank you. And with

[WITNESS PANEL: Nixon|Toscano]

1 that, these witnesses are now available for
2 cross.

3 CHAIRMAN GOLDNER: Okay. Thank you
4 very much. We'll move to Unutil for any
5 cross-examination?

6 MR. CAMPBELL: The Company has no cross
7 for these witnesses. Thank you.

8 CHAIRMAN GOLDNER: Thank you. And
9 Clean Energy New Hampshire?

10 MR. SKOGLUND: No questions. Thank
11 you.

12 CHAIRMAN GOLDNER: Thank you. And the
13 Office of the Consumer Advocate?

14 MR. CROUSE: No questions at this time.
15 Thank you.

16 CHAIRMAN GOLDNER: Okay. Very good.
17 We'll move to Commissioner questions, beginning
18 with Commissioner Simpson.

19 CMSR. SIMPSON: Thank you, Mr.
20 Chairman. Thank you both for being here today.

21 BY CMSR. SIMPSON:

22 Q Continuing on with respect to the question on
23 direct, regarding your feedback pertaining to the
24 RFP, Mr. Toscano, from your testimony, it appears

[WITNESS PANEL: Nixon|Toscano]

1 that you have quite a bit of experience with
2 operations of energy facilities, is that correct?

3 A (Toscano) Yes, it is.

4 Q And, in your opinion, what O&M activities do you
5 think are most critical for this type of
6 facility?

7 A (Toscano) Regular maintenance, going out and
8 checking and making sure that the connections are
9 secure, make sure there's nothing growing
10 underneath the panels that might interfere, and
11 nature comes back, vines and trees -- trees grow.
12 So, we were very pleased to see the inclusion of
13 some vegetation management in that.

14 The other thing it includes, of course,
15 any of the connections within, whether it be the
16 inverters on the strings or the combiner box,
17 depending on how it's laid out, those are all
18 very important. And sometimes the panels get
19 damage from like debris blowing on it, and things
20 like that.

21 So that those are crucial for any
22 facility. And I saw that up close. And I was
23 very -- we were very pleased to see the Company
24 come back and include all those things.

[WITNESS PANEL: Nixon|Toscano]

1 Q We talked quite a bit about asset renewal
2 replacements when we were asking the Company some
3 questions.

4 What types of failures do you think are
5 the most likely in these types of installations?
6 Do you think it's as simple as debris, you know,
7 damaging a panel, or do you think there's other
8 more electrically based issues that can arise,
9 and that are likely?

10 A (Toscano) Inverters, typically, are the weak link
11 on these. And it was great to see them got to
12 the string-type inverter arrangement, so you
13 don't have all your eggs in one basket, because
14 they do fail. They have gotten substantially
15 better over the years that I've been involved
16 with them. And you can see that by the
17 warranties being increased as time has gone on.
18 But, typically, those are the weak links, and,
19 again, the connections.

20 Damage to the panels, typically, is not
21 a major problem, unless there are trees or some
22 other things that may fall on them. Sometimes
23 lightning strikes do take some pieces of
24 equipment, but that could happen anywhere.

[WITNESS PANEL: Nixon|Toscano]

1 But most of the time the landscaping,
2 you get some rocks or somebody would run into it
3 with some type of mowing machine or cutting
4 machine. Those are the kinds of things that can
5 happen. But those are fairly typical.

6 Other than that, the panels themselves
7 are pretty benign, and they usually don't have
8 much of a problem.

9 I heard some discussion on snow
10 earlier, I'll just weigh in on that. The ones
11 that I was familiar with and worked with were
12 fixed panels, a little further south from here,
13 but nonetheless, on very short order, when the
14 Sun comes out, the snow is off the panels, not
15 quite like on a residential-type arrangement.

16 Q And do you think that the lifespan of 40-year
17 system life, do you think that's realistic?

18 A (Toscano) I will readily admit that it's a --
19 that's a long period of time, as everybody has
20 noticed and commented on. What we did was we did
21 a sensitivity analysis on the 30, when it was 30
22 years, and it still showed a benefit-cost ratio
23 of greater than one.

24 Q Uh-huh.

[WITNESS PANEL: Nixon|Toscano]

1 A (Toscano) It drops, obviously. So, we're
2 comfortable with that. I can tell you that --
3 and I apologize if I'm speaking too fast. My
4 experience is 14 -- 13 years now into the ones
5 that I am familiar with, and really no -- hardly
6 any degradation at all, in terms of output, and
7 reliability is -- the capacity factor is
8 essentially the same as it was when it was new.

9 So, for 40 years, sure, that's a bit of
10 a stretch, but these numbers seem to work even at
11 30. And, based on what we are seeing with the
12 longer warranties and the Company -- and the
13 particular solar modules in question here have a
14 long warranty period. So, we don't have any
15 concerns with that.

16 Q And, in your experience, is it fairly typical
17 that a utility like Unitil would outsource O&M
18 through a contract at project development?

19 A (Toscano) Yes, very much so. In fact, more and
20 more companies have been popping up, as you can
21 appreciate, as these head to development. So,
22 that is the smart way to go.

23 Q Uh-huh. I mean, I think it gives me some
24 reassurance with the developer being part of that

[WITNESS PANEL: Nixon|Toscano]

1 long-term O&M, because it would seem to be that
2 they would have some stake in the construction.
3 They're not just going to build it, and walk
4 away. They're going to be part of the long-term
5 reliable functioning of the system. Do you think
6 that's fair?

7 A (Toscano) Yes, I do.

8 Q So, in your view, you feel that the O&M that's
9 included, the vegetation management, the capital
10 renewal provisions, those are all reasonable and
11 appropriate for the Project?

12 A (Toscano) Yes, they are.

13 Q Okay. Thank you. More generally, again, without
14 disclosing anything proprietary or confidential,
15 could both of you explain your take on the RFP
16 process that followed the RFI? I think,
17 actually, two versions of requests for proposal,
18 it sounds like. Do you think it was
19 competitively procured? Do you think the bids
20 that were produced from the market are
21 competitive and reflective of current conditions?

22 A (Toscano) Yes, we do. It was -- very pleased to
23 look at the process and how it went out, and,
24 initially, with some very specific requirements,

[WITNESS PANEL: Nixon|Toscano]

1 solicited capable people to do the work. And I
2 would also say that having a second iteration, if
3 you will, or even third, I believe, in this
4 case, --

5 Q Uh-huh.

6 A (Toscano) -- was well done, because you could see
7 the results got better and more defined as time
8 went on. So, the short answer is "yes", we felt
9 that that was a good process.

10 Q And, from your testimony, it sounds like some of
11 the feedback that the DOE provided was received
12 and responded to throughout that process?

13 A (Toscano) Yes, it was. And, as the Commission
14 noted as well, we were very pleased to see the
15 level of detail and rigor on the Monte Carlo
16 analysis and the stress test. And that's not all
17 that common on a project of this size.

18 Q Something else that seemed somewhat novel is that
19 this is a tracker system. I have seen some
20 tracking systems in New Hampshire, I live close
21 to one, that's quite a bit smaller than this
22 proposal. In your experience, have you worked
23 with tracking systems? I know they have been
24 around for decades, but it's typically been fixed

[WITNESS PANEL: Nixon|Toscano]

1 systems that we've seen over the last couple of
2 decades, in my experience. You know, do you have
3 any thoughts on the tracking technology and the
4 appropriateness in this application?

5 A (Toscano) Yes, I do. So, when this -- when I
6 first saw this submission, my initial gut
7 reaction, I tend to be conservative approach and
8 a little cynical on mechanical things, especially
9 up in the Northeast, --

10 Q You've got to watch the mechanical engineers.

11 A (Toscano) Indeed. And, in any case, so, I
12 started to do some investigation. And, lo and
13 behold, through colleagues and other folks, they
14 have gotten much better over time. And, in fact,
15 where I was, we had proposed and were going to
16 build two-axis tracking. And I felt adamant at
17 the time, because, first off, two-axis tracking
18 is a whole nother story anyway. So, the
19 single-axis is the preferred way to go. And it's
20 a much simpler system, and the one proposed looks
21 very robust. So, I have -- we have very little
22 concern with regard to that. And plus, they did
23 allow for maintaining, which was a big point that
24 was discussed, was to allow it to be maintained

[WITNESS PANEL: Nixon|Toscano]

1 as time went on.

2 Q And what are the maintenance activities that are
3 relevant for a tracking system?

4 A (Toscano) Well, obviously, the sensing devices,
5 the thing that tell it what to and, you know,
6 when to do it. As well, in particular, in this
7 case, the motors and the racking equipment and,
8 you know, what it pivots on and those types of
9 things. This one, again, that they proposed, is
10 a simpler design than some of the other ones that
11 we have seen. So, we have a little more
12 confidence that it will work. And I actually
13 have very good, high confidence in it, based on
14 some investigation.

15 Q It sounds like this type of system takes inputs
16 and then makes a decision on how to pivot, as
17 opposed to just being programmed for 365 days a
18 year, and then pivoting, as it's known, you know,
19 the solar reflection and angle, is that correct?

20 A (Toscano) I believe that will be the case. I
21 haven't seen that level of detail on this yet.
22 But that is how it's done.

23 Q Uh-huh. Okay. And then, does the Department
24 have any comments with respect to the Company

[WITNESS PANEL: Nixon|Toscano]

1 using RECs generated from the system as an offset
2 to its RPS obligations, as opposed to selling
3 them?

4 It would seem to me that, if they own a
5 system that's producing RECs, those should be
6 just used as an offset, as opposed to going into
7 the market. But I'm very curious to hear your
8 perspective on that?

9 A (Nixon) I think it makes sense, as they proposed,
10 and, as they mentioned today, if they don't need
11 them, then they could sell them in the market.

12 Q Uh-huh.

13 A (Nixon) I mean, as noted in their benefit-cost
14 analysis, they have assumed a flat line. I mean,
15 the price is so uncertain at this point. So, I
16 think it's an appropriate estimation.

17 Q And the process of offsetting --

18 A (Nixon) And the process, yes, as well. I mean,
19 given today, I mean, and I have been out of this
20 market for a little bit, but I think that the
21 obligation is somewhat reduced in that class
22 already. So, if they don't need them, they can
23 sell them and benefit from it in that way as
24 well.

[WITNESS PANEL: Nixon|Toscano]

1 Q Do you know if these RECs could be certified in
2 other states?

3 A (Nixon) I believe so.

4 Q Okay. So, there could be other markets where
5 they could be monetized?

6 A (Nixon) Yes. I believe that they could sell them
7 in Mass. as well, or other places in New England.

8 Q Okay. And then, Exhibit 8 is a letter in lieu of
9 a settlement. Can you just explain why we didn't
10 receive a traditional settlement agreement, as
11 opposed to this letter, what purpose that serves?

12 A (Nixon) We did discuss settlement, and then
13 thought it was somewhat awkward to have a
14 settlement that basically said "We all agree."
15 So, the conclusion was to submit a letter saying
16 that "We all agree."

17 Q Okay. So, there's nothing that was in the
18 Company's initial testimony and supplemental
19 filings that caused a point of concern for, I
20 guess, any of the signing parties to that letter,
21 and it's just to indicate that the DOE supports
22 what the Company has filed?

23 A (Nixon) Correct. I mean, as Mr. Toscano said, we
24 had some, you know, wanted to see a few things,

[WITNESS PANEL: Nixon|Toscano]

1 but those were addressed in the supplemental.
2 So, we support as proposed.

3 Q Okay. And then, Chairman Goldner asked about a
4 cap, in terms of a dollar amount. And the
5 Company indicated they prefer a traditional
6 prudence review.

7 You know, as we look forward, it seems
8 that the analysis is very thorough from the
9 Company, reasonable assumptions. The question
10 just exists that, in the future, if the Company
11 were to go through this process, following
12 Commission approval, and then the costs are
13 significantly higher, do you have any thoughts on
14 measures to mitigate ratepayer impact?

15 A (Nixon) We support the Company's proposal to do
16 it in a two-stage approach. And believe that
17 this one, the benefit-cost analysis, took into
18 account good assumptions. And then, the second
19 phase is the cost recovery portion. So, we
20 believe that the second phase is when costs
21 really should come into play. And, at that
22 point, we could propose disallowance --
23 recommendations for disallowances.

24 But, at this point, we don't support a

[WITNESS PANEL: Nixon|Toscano]

1 cap. Because, I mean, as the Company indicated,
2 this is a "best estimate" of what's to come.
3 But, as we all know, the world at this point, the
4 supply chain issues and others have come about.
5 And, I mean, again, at the cost recovery stage,
6 then we would take into account prudence and just
7 and reasonableness in our recommendation for your
8 determination.

9 Q And, in a future proceeding, DOE would audit
10 costs --

11 A (Nixon) Yes, we would do that. It would be a
12 totally different proceeding, in our mind, that
13 would be -- we'd do all that in that proceeding.

14 CMSR. SIMPSON: Okay. All right.

15 Thank you.

16 I don't have any further questions for
17 the DOE witnesses. Thank you.

18 CHAIRMAN GOLDNER: Thank you. We'll
19 move to Commissioner Chattopadhyay.

20 CMSR. CHATTOPADHYAY: I think
21 Commissioner Simpson picked up one of the
22 questions I was going to ask about, and
23 Mr. Toscano ended up providing the details on the
24 30 compared to the 40 years issue.

[WITNESS PANEL: Nixon|Toscano]

1 BY CMSR. CHATTOPADHYAY:

2 Q One, you know, I know that this is -- that the
3 DOE essentially agrees with everything that the
4 Company has proposed here. Do you have any
5 thoughts on the issue of the indirect costs, and
6 then how the analysis was done? Do you have any
7 thoughts on, for example, the economic benefits,
8 they were measured as gross benefits? Do you
9 have any thoughts on whether it should be gross
10 or net?

11 A (Nixon) I can start, and if Mr. Toscano has
12 anything to add or supplement.

13 I think that it's my understanding that
14 the indirect were considered separately. So
15 that, in the benefit-cost, those aren't even
16 taken into consideration. So, without those, the
17 benefit-cost ratio is greater than one. And, so,
18 we support that and recommend going forward on
19 that account.

20 I think the indirect benefits in and of
21 themselves can stand alone and just add to the
22 actual benefits.

23 I'll be honest, I am somewhat confused
24 as to what you mean by "net", because I'm not

[WITNESS PANEL: Nixon|Toscano]

1 sure what costs you would take into consideration
2 with those indirect. But maybe I'm just
3 misunderstanding your question.

4 Q I'm not -- the question isn't coming up in a
5 vacuum. I'm just, based on the study that the
6 Company provided, that Daymark conducted, there's
7 a discussion about economic benefits there, and
8 they clearly say it's "gross economic", it's
9 gross, it's not measured net. So, that's what I
10 was trying to address.

11 And if you have any thoughts on it,
12 fine. If you don't, let me know.

13 A (Toscano) As someone who spent the good part of
14 my career on the receiving end of some studies
15 with regard to job creation and all these other
16 things, it's a very gray area, as you know.
17 There's such a variability in the set of
18 assumptions. And I was very pleased, we were
19 very pleased that this Project can stand on its
20 own without those indirect benefits.

21 And the way I viewed it myself, and we
22 discussed this, is that we just consider it
23 "gravy". Whether how accurate it is is
24 debatable, to your point. There's just so many

[WITNESS PANEL: Nixon|Toscano]

1 things that go into those assumptions that make
2 it difficult.

3 So, the short answer is, because it
4 stands on its own, we didn't really have any
5 major concerns. The Daymark study looked
6 reasonable, based on the ones that I've seen in
7 the past. You can take issue with anything,
8 discount factors, all these other things. But,
9 generally speaking, they touched upon all the
10 things that I would expect them to do.

11 CMSR. CHATTOPADHYAY: Thank you.

12 CHAIRMAN GOLDNER: All right. Just a
13 few questions and comments.

14 BY CHAIRMAN GOLDNER:

15 Q So, first, I'm just looking at your exhibit,
16 Page 11. And it's just a compliment on the
17 triangulation that you used when you looked at
18 the National Renewable Energy Laboratory's
19 information. You looked at the Long Island Solar
20 Farm. You compared that to the Company software,
21 and you sort of triangulated the answer. That
22 was very nice. So, my compliments on that
23 analysis.

24 A question that I have is relative to

[WITNESS PANEL: Nixon|Toscano]

1 these, the string inverters. I'm showing here a
2 20-year lifespan, standard warranty period of
3 five years. And I'd just like to get the
4 Department's thoughts on the risk involved there?
5 Any time you have a 20-year lifespan and a 5-year
6 warranty, that's maybe a flag for concern.

7 Do you have any thoughts on how long
8 these string inverters would last, relative to
9 the warranty?

10 A (Toscano) I believe they have an option for
11 another five years, --

12 Q So, a ten-year.

13 A (Toscano) -- which would probably make sense to
14 do. I believe that's intended to happen.

15 As I mentioned, the inverters are
16 the weakest, still to this day, are the weakest
17 link on these. But they have gotten much better.
18 Ten years is typically kind of the number that I
19 am familiar, where we would see failures by ten,
20 or before, and very rarely did we see them last
21 longer than that, in the early years.

22 But, because we've been observing, and
23 my counterparts in other places have been
24 observing, an increased quality and, you know,

[WITNESS PANEL: Nixon|Toscano]

1 robustness of these, and less concern. And, in
2 particular, when they went to the string inverter
3 approach. Where, now, you know, you lose a small
4 portion of the array output. You can go service
5 it and get it done.

6 They did, as you know, they did add
7 some, in the later years, they added some assumed
8 replacement of these as they went on, and,
9 hopefully, that will be the case.

10 So, I will say that I'm still a little
11 cautious on that, I tend to be. I told you, I
12 tend to be a little cynical and conservative on
13 things. But I thought that this was done as well
14 as one could do with something like this.

15 Q Yes. Okay. Very good. Thank you. And then, a
16 question maybe for you, Ms. Nixon, following up
17 on Commissioner Simpson's question.

18 So, just in terms of the prudence
19 review and the disallowance process and this kind
20 of thing, I'm familiar with disallowances coming
21 from Audit. Audit takes a look at it, and they
22 find some things, and there's some recommended
23 disallowances.

24 Can you recall any disallowances not

[WITNESS PANEL: Nixon|Toscano]

1 coming from Audit, in your history at the
2 Commission or the Department?

3 A (Nixon) The one that comes to mind immediately,
4 and I'm sure there's many others that we've
5 recommended, well, it was regarding their new
6 center. And I can't remember all the specifics,
7 but we did have some proposed disallowances
8 regarding that in our original testimony.

9 But, I mean, that's basically our job,
10 is to review these, and make sure that we agree
11 with the cost recovery, and make our
12 recommendations. So, if there -- there are
13 others, just that nothing is coming to mind at
14 the moment.

15 Q Okay. Okay. But your -- the Department's
16 position would be to, of course, audit the
17 Project, and look at those disallowances. And
18 then, separately from that, the Department would
19 evaluate the Project itself, outside of Audit,
20 and also potentially recommend disallowances. Is
21 that a fair summary?

22 A (Nixon) Correct. If we thought some process
23 wasn't followed, or for whatever reasons that we
24 didn't believe that it was -- should be

[WITNESS PANEL: Nixon|Toscano]

1 recovered, then we would proposed a disallowance,
2 outside of Audit even.

3 CHAIRMAN GOLDNER: Okay. Okay, thank
4 you.

5 Okay. Very good. Are there any other
6 questions from the Commissioners?

7 *[Cmsr. Simpson indicating in the*
8 *negative.]*

9 CMSR. CHATTOPADHYAY: No.

10 CHAIRMAN GOLDNER: No? Okay. I'll
11 thank the Department for their testimony today.
12 Again, very helpful. And thank you for your
13 time. And the witnesses are excused, after I
14 allow redirect from Mr. Young.

15 MR. YOUNG: No redirect from the
16 Department, Mr. Chairman.

17 CHAIRMAN GOLDNER: Barely out of
18 sequence. Thank you, Mr. Young.

19 Okay. The witnesses are excused. And,
20 after the witnesses get resettled, then we'll go
21 to closing statements, which, as I recall, were
22 just from Unitil and the Department of Energy.

23 Mr. Skoglund, if you've changed your
24 mind, I notice you're still here, thank you, or

1 the Office of the Consumer Advocate, if you'd
2 like to make any comments, those are welcome as
3 well.

4 I'll just note that if the -- if the
5 OCA or Clean Energy would like to comment on the
6 "confidentiality" question, that would be most
7 welcome. And, of course, if you have any
8 comments on this "capital cap" that was
9 discussed, that would also be welcome. So,
10 you're welcomed to comment or not comment on
11 those two topics as we wrap up here.

12 So, now that the witness are resettled,
13 let's -- well, I'll move to Clean Energy New
14 Hampshire, Mr. Skoglund, if you have anything you
15 would like to comment on, please, please feel
16 free to do so?

17 Mr. Skoglund? Oh, you're there.

18 MR. SKOGLUND: Yes.

19 CHAIRMAN GOLDNER: Okay. Sorry.

20 MR. SKOGLUND: Just getting to my
21 notes.

22 CHAIRMAN GOLDNER: I didn't know if you
23 were --

24 MR. SKOGLUND: This will be very brief.

1 Thank you for the opportunity to speak. I was
2 thinking that we were going to be ending closer
3 to 4:00, so I would definitely not be here then.

4 But I just want to say, thank you all
5 for your time today. And I would like thank
6 Unitil, New Hampshire Department of Energy Staff,
7 and the OCA, for working collaboratively on this
8 process.

9 Clean Energy New Hampshire has
10 supported this proposal from the beginning, and
11 has only supported it more as we've gone forward,
12 as is noted by the joint letter filed on the
13 23rd.

14 And we think that this Project should
15 be approved, as we would note the broad agreement
16 among an energy utility, a clean energy advocate,
17 the State Consumer Advocates, and the State
18 Energy Office. We feel that this is reflective
19 of the true value that this Project brings.

20 As some emphasis, Clean Energy New
21 Hampshire is a statewide non-profit organization
22 dedicated to strengthening New Hampshire's
23 energy -- or, economy, as we transition to a
24 clean, efficient renewable energy system.

1 Included among other membership are 35 municipal
2 members representing nearly 350,000 New Hampshire
3 citizens, almost exactly one-quarter of the
4 state's population. We also include as among
5 members not only 20 solar companies, but also the
6 three electric or energy utilities, the regulated
7 energy utilities in this state. And our business
8 members also deliver clean, low-cost energy.

9 As such, our goal is not to advance the
10 economic case for any one entity or segment of
11 the New Hampshire economy, but rather enable the
12 transition to a robust New Hampshire economy
13 powered by abundant, local, affordable clean
14 energy resources, with the lowest possible energy
15 costs for all.

16 Just to conclude, we feel that this
17 Project exemplifies all of those. And we fully
18 support this Project, and encourage the
19 Commission to approve it as submitted.

20 CHAIRMAN GOLDNER: Thank you,
21 Mr. Skoglund. We'll move to Attorney Crouse, and
22 any comments from the Consumer Advocate.

23 MR. CROUSE: Yes. Thank you. I'll
24 keep it blessedly brief. I don't have a comment

1 on the "confidentiality" question.

2 But, regarding the "price cap", I've
3 been really thinking about it. And I think the
4 OCA sides with the Company on their two-stage
5 approach.

6 I started of thinking of regulation
7 price caps and risk of erosion in today's market.
8 And I think the Company has proposed a pathway
9 that makes sense, and that's where I initially
10 lie.

11 But, in terms of implementing measures
12 that might help secure ratepayer interest, I
13 recognize the Commission's point that that might
14 be something worth looking at.

15 CHAIRMAN GOLDNER: Thank you very much,
16 Mr. Crouse. And we'll move to the Department of
17 Energy.

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

19 The Department has reviewed the filing,
20 and conducted the necessary due diligence. As
21 the record shows, and as the Department witnesses
22 have testified today, the Department of Energy
23 supports the Company's proposal for the solar
24 system located in Kingston, New Hampshire.

1 The Department believes the Company has
2 met the minimum statutory requirements of RSA
3 374-G, and believes that the proposed investment
4 is in the public interest.

5 Regarding the Commission's request for
6 a position on the "spending cap", as previously
7 testified to here today, based on the filings we
8 have in front of us, the Department would not
9 recommend a spending cap on this Project. The
10 Department would like to emphasize that no
11 recovery is being approved by the Commission here
12 today, and, in any future cost recovery filing,
13 the Department could recommend disallowance of
14 any costs in this Project, if necessary.

15 The Company's subsequent cost recovery
16 filing will involve a separate Department
17 recommendation and Commission determination of
18 whether the rates reflected in this investment
19 are just and reasonable.

20 And, finally, I guess regarding any
21 confidentiality requests from the Company, the
22 Department would have no objection.

23 CHAIRMAN GOLDNER: Okay. Okay, thank
24 you. So, I'm just going to summarize that

1 confidentiality request from all the parties
2 is -- there's objections from anyone, I think, to
3 the confidentiality.

4 Would anyone like more time to consider
5 or are you comfortable with the Commission moving
6 forward with granting confidentiality? In other
7 words, do you want to file something later or are
8 you comfortable with the Commission moving
9 forward?

10 MR. YOUNG: The Department would
11 support the Commission making that determination.

12 CHAIRMAN GOLDNER: Okay.

13 MR. CROUSE: The OCA has no objection.
14 So, you can proceed.

15 CHAIRMAN GOLDNER: Okay. Mr. Skoglund,
16 any comments?

17 MR. SKOGLUND: And Clean Energy New
18 Hampshire has no objection.

19 CHAIRMAN GOLDNER: Okay. Thank you
20 very much.

21 Okay. Very good. Let's wrap up with
22 the Company's closing.

23 MR. CAMPBELL: Thank you,
24 Commissioners.

1 The policy of New Hampshire is to
2 encourage New Hampshire utility companies to
3 invest in clean energy resources, because
4 utility-owned renewable generation can
5 cost-effectively increase energy efficiency,
6 provide energy security, diversify the state's
7 electricity generation portfolio, and reduce
8 greenhouse gas emissions. This policy is
9 enshrined in state law, at RSA 374-G.

10 Before a project can be approved under
11 374-G, the Commission must find that the project
12 is in the public interest. There are nine
13 comprehensive factors governing that inquiry, and
14 the Company has presented evidence in this case
15 demonstrating that the Kingston Solar Project
16 meets each one of them. In particular,
17 Mr. Sprague's initial testimony walks through
18 each public interest factor and discusses how the
19 Project satisfies each one.

20 Rather than provide you with a
21 mechanical recitation of each factor, for
22 purposes of my closing I have distilled them into
23 three key questions that I think the Commission
24 should ask itself when making its public interest

1 determination. (1) Is the Project good for
2 customers? (2) Is the Project good for the
3 economy? (3) Is the Project good for the
4 environment?

5 With regard to the Kingston Solar
6 Project, the answer to all three questions is
7 "yes".

8 The Kingston Solar Project is good for
9 customers because it will generate benefits that
10 exceed the costs to build and maintain the
11 Project. These benefits include avoided energy
12 and transmission costs, and those result from
13 operating the Project as a "load reducer",
14 meaning the electric output will be delivered
15 directly into the electric distribution system.
16 The Project also will generate benefits in the
17 form of revenues from renewable energy
18 certificates and federal tax credits, both of
19 which will accrue directly to Unitil's customers.

20 The Benefit-Cost analysis presented by
21 the Company in Hearing Exhibit 3 quantitatively
22 demonstrates that the Project is good for
23 customers. That Benefit-Cost analysis is a major
24 element in RSA 374-G, as evidenced by the fact

1 that a benefit-cost assessment is mentioned four
2 separate times in the statute. The Company's
3 Benefit-Cost analysis shows the Project's direct
4 benefits are expected to be 2.5 million on a net
5 present value basis, with a Benefit-Cost ratio of
6 1.15. Significantly, that NPV calculation takes
7 into account only the direct benefits of the
8 Project. The Project also will produce
9 meaningful indirect benefits, as demonstrated by
10 the analysis conducted by Daymark Energy
11 Advisors, and those indirect benefits further
12 reinforce a finding that the Project is in the
13 public interest.

14 The Company's Benefit-Cost analysis is
15 grounded in reasonable and conservative
16 assumptions. For example, the capital cost, O&M
17 expense, decommissioning cost, maintenance
18 capital costs, performance characteristics, and
19 energy production estimates are all based on
20 ReVision's proposal, which was submitted through
21 a competitive solicitation process. Also, the
22 Company has assumed REC prices will remain flat,
23 despite the fact that REC prices are susceptible
24 to inflation, and that REC values may be

1 significantly higher in future years. In
2 addition, as I just noted, the Company has not
3 included any indirect benefits in the
4 Benefit-Cost analysis.

5 To provide the Commission and the
6 parties with further evidence of the soundness of
7 the Benefit-Cost analysis, the Company performed
8 a stress test and a simulation analysis.

9 Notably, those additional analyses demonstrate
10 that the inputs and assumptions in the
11 Benefit-Cost analysis would have to deviate by
12 amounts that are highly unlikely before the
13 Kingston Solar Project no longer produces net
14 benefits for customers. Regarding these
15 additional analyses, the Department of Energy
16 stated in its testimony, marked as "Hearing
17 Exhibit Number 5" [Exh. 7?], that they provide a
18 greater degree of confidence in the Project's
19 long-term success, and the Department also noted
20 that this kind of rigor is unusual for a project
21 of this relatively small size.

22 The Kingston Solar Project is also good
23 for the economy. The Kingston Solar Project is
24 good for the economy because it will support New

1 Hampshire jobs and inject dollars into the
2 economy. In fact, the Project has already
3 generated economic benefits, because the Company
4 has worked with several New Hampshire-based firms
5 to assist in its development. TF Moran,
6 Incorporated, based in Bedford, has provided land
7 planning and civil engineering services; Capital
8 Appraisal Associates, a Concord-based firm,
9 performed the land appraisal; and Ransmeier &
10 Spellman, also based in Concord, performed the
11 title work.

12 Looking ahead, if the Commission
13 approves the Project, the Company will contract
14 with ReVision Energy, a solar developer based in
15 Barrington, New Hampshire, to build the Project.
16 And ReVision plans to use Ayer Electric as its
17 primary electrical subcontractor, a local firm
18 also based in Barrington. The Project also is
19 expected to generate significant property tax
20 revenues, almost 9 million over the life of the
21 Project, for the Town of Kingston.

22 As a further demonstration of economic
23 benefits, the Company's consultant, Daymark,
24 performed a quantitative analysis of the indirect

1 economic benefits that will be generated by the
2 Project. Daymark estimates the Project will
3 generate over 12 million in direct, indirect, and
4 induced economic benefits on a present value
5 basis. In addition, Daymark estimates the
6 Project can be expected to support 95 job years
7 of employment over the projected 40-year life of
8 the Project.

9 The Kingston Solar Project is good for
10 the environment. The Kingston Solar Project is
11 good for the environment because solar generation
12 does not produce any emissions, and it displaces
13 fossil fuel generation with clean renewable
14 electricity. The Company's consultant, Daymark,
15 has quantified these benefits, and estimates the
16 Project will produce over 2 million in carbon
17 dioxide and nitrogen oxide savings over the life
18 of the Project. These benefits are significant,
19 not only because they are one of the factors the
20 Commission must consider under RSA 374-G, but
21 also because displacing fossil fuels improves air
22 quality and public health for New Hampshire
23 customers. In addition, reducing reliance on
24 fossil fuels furthers the objective of energy

1 security, because solar generation is not subject
2 to volatile fossil fuel prices.

3 In summary, the Commission has a unique
4 opportunity to approve a first-of-its-kind
5 project that is good for customers, good for the
6 economy, and good for the environment. As
7 demonstrated by the joint letter of support filed
8 on March 23rd, there is a consensus among the
9 parties that the Project meets the statutory
10 requirements of RSA 374-G, and the Project is in
11 the public interest. The parties also agree that
12 the two-stage approval process proposed by the
13 Company is appropriate and should be adopted by
14 the Commission.

15 The Company would like to thank the
16 Department of Energy, the Office of Consumer
17 Advocate, and Clean Energy New Hampshire for
18 their support, and the diligent and incisive
19 questions put to the Company in the course of
20 this proceeding. Those interactions helped the
21 Company refine its proposal and present a
22 stronger case for your consideration.

23 On the evidence presented, in
24 accordance with and pursuant to RSA 374-G, the

1 Commission can arrive at only one conclusion in
2 this case: The Kingston Solar Project is in the
3 public interest. Accordingly, the Company
4 respectfully requests that the Commission issue
5 an order finding that the Project is in the
6 public interest and approving the Company's
7 proposed two-stage regulatory review framework.

8 Thank you, Commissioners.

9 CHAIRMAN GOLDNER: Thank you. And
10 thank you for your statements.

11 We'll now strike identification on
12 Exhibits 1 through 9 and admit them into
13 evidence.

14 Are there any other matters requiring
15 our attention today?

16 *[No verbal response.]*

17 CHAIRMAN GOLDNER: Okay. Seeing none.
18 Thank you for your participation. We expect to
19 render a decisional order, including addressing
20 the Motion for Confidential Treatment, in advance
21 of May 1st.

22 We are adjourned. Thank you.

23 ***(Whereupon the hearing was adjourned***
24 ***at 12:25 p.m.)***