

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

March 24, 2009 - 10:11 a.m.
Concord, New Hampshire

NHPUC APR27'09 PM 2:38

RE: DE 09-033
PUBLIC SERVICE OF NEW HAMPSHIRE:
Petition for Approval of the Issuance
of Long Term Debt Securities.
(Prehearing conference)

PRESENT: Chairman Thomas B. Getz, Presiding
Commissioner Graham J. Morrison
Commissioner Clifton C. Below

Diane Bateman, Clerk

APPEARANCES: Reptg. Public Service of New Hampshire:
Catherine E. Shively, Esq.
Gerald M. Eaton, Esq.

Reptg. National Grid:
Marla B. Matthews, Esq. (Gallagher...)

Reptg. Residential Ratepayers:
Meredith Hatfield, Esq., Consumer Advocate
Kenneth E. Traum, Asst. Consumer Advocate
Office of Consumer Advocate

Reptg. PUC Staff:
Suzanne G. Amidon, Esq.
Matthew J. Fossum, Esq.

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

ORIGINAL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

I N D E X

PAGE NO.

STATEMENTS OF PRELIMINARY POSITION BY:

Ms. Shively	6
Ms. Matthews	7
Ms. Hatfield	7
Ms. Amidon	8

P R O C E E D I N G S

1
2 CHAIRMAN GETZ: Okay. Good morning,
3 everyone. We'll open the prehearing conference in docket
4 DE 09-033. On February 20, 2009, Public Service Company
5 of New Hampshire filed a petition seeking authority to
6 issue up to \$150 million in principal amount of long-term
7 debt securities through December 31, 2009, to mortgage its
8 property in connection with the issuance of long-term
9 debt, to enter into an interest rate transaction to manage
10 interest rate risk, and to increase its short-term debt
11 limit to 10 percent of net fixed plant, plus a fixed
12 amount of \$60 million. According to PSNH, the proposed
13 long-term debt issuance will be used to refinance its
14 short-term debt, to finance anticipated capital
15 expenditures and to pay for issuance costs.

16 And, an order of notice was issued on
17 March 6, setting the prehearing conference for this
18 morning. I note that the affidavit of publication has
19 been given to the Clerk. And, we also have a notice from
20 the Office of Consumer Advocate that it will be
21 participating. And, we have Petitions to Intervene from
22 Granite State Electric Company and the Conservation Law
23 Foundation. And, we also have filed with us this morning
24 an objection from PSNH with respect to the CFL -- CLF

1 Petition to Intervene.

2 So, can we take appearances please.

3 MS. SHIVELY: Good morning. Catherine
4 Shively, for Public Service Company of New Hampshire, and
5 with me today is Gerry Eaton.

6 CHAIRMAN GETZ: Good morning.

7 MS. MATTHEWS: Good morning. I'm Marla
8 Matthews, of Gallagher, Callahan & Gartrell, on behalf of
9 National Grid.

10 CHAIRMAN GETZ: Good morning.

11 MS. MATTHEWS: Good morning.

12 MS. HATFIELD: Good morning,
13 Commissioners. Meredith Hatfield, for the Office of
14 Consumer Advocate, on behalf of residential ratepayers,
15 and with me is Ken Traum.

16 CHAIRMAN GETZ: Good morning.

17 CMSR. BELOW: Good morning.

18 MS. AMIDON: Good morning. Suzanne
19 Amidon, for Commission Staff. To my left is Steve Mullen,
20 who is the Assistant Director of the Electric Division,
21 and to his left is Matthew Fossum, who is a new attorney
22 in the Legal Division.

23 CHAIRMAN GETZ: Good morning.

24 CMSR. BELOW: Good morning.

1 CHAIRMAN GETZ: Well, it appears that
2 Ms. Kraushaar, is that how we pronounce her name? The
3 attorney for CLF does not appear to be here this morning.
4 I was hoping to hear some argument on the Petition to
5 Intervene. I take it no one knows whether she's expected
6 this morning?

7 (No verbal response)

8 CHAIRMAN GETZ: Well, there's a couple
9 of issues, at least one I had hoped to get on the record
10 this morning. The Conservation Law Foundation indicates
11 that it has 3,300 members, 370 members residing in New
12 Hampshire. And, in its objection, PSNH I think indicates
13 that it's -- it's not obvious from the Petition to
14 Intervene whether some of those members are PSNH
15 customers. I was hoping to get a representation or an
16 offer of proof on that issue from the CLF attorney, and
17 maybe we'll have to get that in writing.

18 I think I'm going to defer any ruling on
19 that, on that issue, except to note that I don't think
20 it's the ranking of the interest by CLF or its motivations
21 to determine whether it's granted a Petition to Intervene,
22 just that it has to demonstrate a cognizable interest.
23 And, before I make a ruling, I'd like to get an answer to
24 that question of whether CLF has PSNH customers in its

1 membership.

2 So, does anybody want to address that
3 issue in any way, the Petition to Intervene?

4 (No verbal response)

5 CHAIRMAN GETZ: Okay. Is there any
6 objection to the National Grid Petition to Intervene?

7 MS. SHIVELY: PSNH does not object to
8 the National Grid Petition to Intervene. I would just
9 like to note, regarding the CLF Petition to Intervene,
10 that, if they don't make the allegations in or allege
11 sufficient facts in their petition, and they don't show up
12 for the hearing, I think that should have a significant
13 bearing on their motion.

14 CHAIRMAN GETZ: Okay. Noted for the
15 record. Anything else on that issue?

16 (No verbal response)

17 CHAIRMAN GETZ: Okay. Hearing nothing,
18 then we'll turn to statements of the positions of the
19 parties, and begin with Ms. Shively.

20 MS. SHIVELY: Okay. You did an
21 excellent job summarizing our request, so I don't feel a
22 need to repeat that. I would observe that this is an
23 ordinary course of business financing, that's consistent
24 in amount, terms and conditions with our other financings

1 over time. We have requested prompt Commission action in
2 this docket, as we are currently forecasting our
3 short-term debt will exceed \$120 million, which is within
4 20 million of our 10 percent short-term debt limit by May
5 of 2009.

6 The short-term debt does fluctuate quite
7 a bit. So, in order to be sure that we stay beneath the
8 debt limit, it's important to have a little bit of a
9 cushion there. We were hoping to complete this proposed
10 financing during the second quarter. And, we recognize
11 that that may be pushed off a bit, but we really would
12 like to do it early in the third quarter of 2009, if at
13 all possible.

14 CHAIRMAN GETZ: Thank you.
15 Ms. Matthews, do you have anything on this?

16 MS. MATTHEWS: I think our position is
17 laid out in the Petition to Intervene. We're only
18 requesting limited participation. And, we don't expect
19 that that would -- we would need to request to modify
20 that, if we do, it would be by a petition of the
21 Commission.

22 CHAIRMAN GETZ: Thank you. Ms.
23 Hatfield.

24 MS. HATFIELD: Thank you, Mr. Chairman.

1 The OCA doesn't have a position at this time. In
2 reviewing the filing, we do have significant questions for
3 the Company. And, we would point out that one aspect of
4 the filing that seems to be missing is any discussion at
5 all of the use of the funds. So, that will certainly be
6 something that we'll be exploring during discovery. And,
7 you know, we understand the Company's need to do this in a
8 timely fashion, and we certainly will work with them to
9 complete the docket as quickly as possible. But we do
10 think that the time frame that they requested is rather
11 short. Thank you.

12 CHAIRMAN GETZ: Thank you. Ms. Amidon.

13 MS. AMIDON: Staff will conduct an
14 investigation of the petition, and we plan to commence
15 discovery in the technical session following this
16 prehearing conference. We'll work with the Company and
17 with the Office of Consumer Advocate to develop a
18 procedural schedule, and hopefully file that with the
19 Commission later today.

20 CHAIRMAN GETZ: Thank you. Okay. Then,
21 well, I detect there may be some difference of opinion on
22 what the procedural schedule should be for this
23 proceeding. I guess we'll wait to see how things proceed
24 in the technical session, and whether it is a joint

1 recommendation or more than one recommendation, and we'll
2 take the matter under advisement. So, we'll close the
3 prehearing conference. Thank you, everyone.

4 (Whereupon the prehearing conference
5 ended at 10:18 a.m. and the parties
6 convened a technical session
7 thereafter.)
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24