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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

July 13, 2010 - 10:06 a.m.  
Concord, New Hampshire

NHPUC JUL28'10 PM 2:52

RE: DE 10-142  
GRANITE STATE ELECTRIC COMPANY AND  
NEW ENGLAND POWER COMPANY d/b/a  
NATIONAL GRID: Integrated Resource  
Plan. (*Prehearing conference*)

PRESENT: Chairman Thomas B. Getz, Presiding  
Commissioner Clifton C. Below  
Commissioner Amy L. Ignatius

Sandy Deno, Clerk

APPEARANCES: Reptg. Granite State Electric Co. and  
New England Power Company d/b/a  
National Grid:  
Sarah Knowlton, Esq. (McLane, Graf...)

Reptg. PUC Staff:  
Suzanne G. Amidon, Esq.  
George R. McCluskey, Electric Division

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

ORIGINAL

## I N D E X

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

CHAIRMAN GETZ: Okay. Good morning, everyone. We'll open the prehearing conference in Docket DE 10-142. On May 12, 2010, National Grid filed its 2010 Least Cost Integrated Plan. Among other things, such a plan must include a forecast of demand; an assessment of demand-side energy management programs; an assessment of supply options; an assessment of transmission requirements; and an integration of demand and supply-side options. The order of notice was issued on June 29, setting the hearing for this morning.

So, can we take appearances please.

MS. KNOWLTON: Good morning Commissioners. My name is Sarah Knowlton. I'm with the McLane law firm. I'm here today on behalf of Granite State Electric Company, which does business in New Hampshire as National Grid. And, with me today on behalf of the Company is Robert Sheridan.

CHAIRMAN GETZ: Good morning.

MR. SHERIDAN: Good morning.

MS. AMIDON: Good morning. Suzanne Amidon, for Commission Staff. And, with me this morning is George McCluskey, who is an Analyst with the Electric Division.

1 CHAIRMAN GETZ: Good morning. I'll note  
2 for the record that the affidavit of publication has been  
3 submitted.

4 So, we'll turn to the Petitioner for a  
5 statement of position.

6 MS. KNOWLTON: Thank you. On May 12th,  
7 2010, National Grid filed its Integrated Resource Plan,  
8 which covers the period January 1st, 2010 to  
9 December 31st, 2012. The Company submitted this plan  
10 consistent with the provisions of RSA 378:38. In the  
11 plan, the Company provides an overview of the Company's  
12 transmission and distribution planning processes and  
13 explains how demand-side response programs and energy  
14 efficiency are incorporated into the planning process.  
15 The Company also describes the processes that it uses to  
16 ensure that transmission and distribution systems are  
17 maintained to meet both federal and state requirements.

18 The Company provides a detailed  
19 description of how the energy markets that are  
20 administered by ISO-New England are structured to procure  
21 adequate supply and demand resources to meet reliability  
22 objectives at the least cost.

23 In addition, the Company describes in  
24 its plan its procedures that it follows to ensure that

1 transmission and distribution systems are reliable, in  
2 service -- in provision of service to customers. And,  
3 then finally, again, the plan also goes into detail about  
4 the role of demand response and distributed generation,  
5 and how the company incorporates those resources as  
6 appropriate into its transmission and distribution  
7 planning processes.

8 The Company is -- we've already  
9 responded to some discovery, and are continuing to do so.  
10 And, we'll look forward to working with Staff to develop  
11 an appropriate procedural schedule for the docket.

12 CHAIRMAN GETZ: Thank you. Ms. Amidon.

13 MS. AMIDON: Thank you. As attorney  
14 Knowlton indicated, we've already commenced discovery in  
15 this docket. And, at this point, one of the interests of  
16 Staff is the demand-side management and how those  
17 activities relate to the distribution planning. We have a  
18 proposed procedural schedule, which we plan to discuss  
19 with the Company after the prehearing conference, and hope  
20 to be able to recommend that to the Commission following  
21 the prehearing conference and technical session.

22 CHAIRMAN GETZ: Okay. Thank you.

23 CMSR. BELOW: I do have a question for  
24 the Company. I note that on Page -- well, there's two

1 page numbers, 24 and 26, I guess the Bates stamp is 26,  
2 with regard to demand response, the brief discussion of it  
3 concludes with a statement that "The Company will  
4 incorporate screening of targeted demand response programs  
5 into its alternative analysis for system upgrades going  
6 forward, potentially leveraging the increasing amounts of  
7 demand response resources participating in the FCM." And,  
8 then, in the following two sections, where it talks about  
9 "Incorporation of DG", or distributed generation,  
10 "Facilities", and then subsequently "Energy Efficiency  
11 Programs", there's more of a reference, for instance, on  
12 Page 27, says "To the extent DG does impact peak loads,  
13 the Company incorporates their historic output into system  
14 planning going forward." Which is sort of a reactive  
15 approach to it. And, then, I think sort of the same thing  
16 with energy efficiency, you talk about how you incorporate  
17 avoided T&D costs into the analysis of energy efficiency.

18 But what I'm wondering is if the Company  
19 has given consideration, or if this could be explored in  
20 the docket, to the same point that you make with regard to  
21 targeted demand response, which is, is there an  
22 opportunity to target distributed generation or target  
23 intensified energy efficiency programs as a potential  
24 alternative analysis to system upgrades going forward?

1 And, so, I just sort of want to ask if that's something  
2 that could be explored in this proceeding, in terms of how  
3 the Company looks at circuits and how they're approaching  
4 capacity, and what the alternatives are for either trying  
5 to defer, avoid growth and the demand or the need to  
6 upgrade the capacity of distribution facilities.

7 MS. KNOWLTON: I do think that's  
8 something that can be addressed in the docket. And, I  
9 think there have been some discovery requests from the  
10 Staff already that touch on that issue. But that is  
11 absolutely something that we can explore.

12 CMSR. BELOW: Okay. Thank you.

13 CHAIRMAN GETZ: Okay. Is there anything  
14 else that we need to address this morning?

15 (No verbal response)

16 CHAIRMAN GETZ: All right. Hearing  
17 nothing, then we'll close the prehearing conference, await  
18 a recommendation with regard to a procedural schedule, and  
19 take the matter under advisement. Thank you.

20 (Whereupon the prehearing conference  
21 ended at 10:12 a.m. and thereafter a  
22 technical session was held.)  
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