

**Public Service Company of New  
Hampshire  
Docket No. DE 10-195**

**Data Request STAFF-02**

**Dated: 10/18/2010  
Q-STAFF-005  
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**Witness: Terrance J. Large  
Request from: New Hampshire Public Utilities Commission Staff**

**Question:**

Ref. Large Testimony, page 7. Mr. Large states that "to meet the first factor (efficient and cost-effective realization of the purposes and goals of the RPS law) PSNH has employed a direct negotiation process with Laidlaw ...." Please describe all tests used by PSNH during the negotiations that show that the proposed PPA is a cost-effective acquisition of renewable energy.

**Response:**

There were no specific tests of "cost-effectiveness" used during the negotiations. However, certain factors were considered. The testimony of Mr. Long on page 6 comments on PSNH's interest in projects that are unique, feasible, and provide added value. The Laidlaw project involves the redevelopment of an existing boiler at an existing site in an economically challenged area of New Hampshire. The project utilizes wood-chips as the fuel source, which results in a significant economic boost to the local New Hampshire wood industry. The testimony of Dr. Lisa Shapiro provides details on the economic development and employment aspects of the project. Also, LBB was willing to consider certain unique terms and conditions in the PPA that provide added value and protection to customers (see a summary in Mr. Labrecque's testimony on page 13).