

1 STATE OF NEW HAMPSHIRE

2 PUBLIC UTILITIES COMMISSION

3 **October 4, 2006** - 10:05 a.m.
4 Concord, New Hampshire5
6 RE: **DG 06-105**
7 **ENERGYNORTH NATURAL GAS, INC. d/b/a/**
8 **KEYSPAN ENERGY DELIVERY NEW ENGLAND:**
9 **Integrated Resource Plan.**
10 **(Prehearing conference)**11
12 **PRESENT:** Chairman Thomas B. Getz, Presiding
13 Commissioner Graham J. Morrison
14 Commissioner Clifton C. Below

15 Diane Bateman, Clerk

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17 **APPEARANCES:** **Reptg. KeySpan Energy Delivery New England:**
18 Steven V. Camerino, Esq. (McLane, Graf...)
19 **Reptg. Amerada Hess Corporation:**
20 Rebecca Bacheider, Esq. (Blueflame consulting)
21 **Reptg. Residential Ratepayers:**
22 Meredith A. Hatfield, Esq., Consumer Advocate
23 Kenneth E. Traum, Asst. Consumer Advocate
24 Office of Consumer Advocate
Reptg. PUC Staff:
F. Anne Ross, Esq.

Court Reporter: Steven E. Patnaude, CCR

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Mr. Camerino	5
Ms. Bachelder	6
Ms. Hatfield	6
Ms. Ross	7

1 **MS. BACHELDER:** Good morning. Rebecca
2 Bachelder, Blueflame Consulting, here on behalf of Amerada
3 Hess Corp.

4 **CHAIRMAN GETZ:** Good morning.

5 **CMSR. MORRISON:** Good morning.

6 **CMSR. BELOW:** Good morning.

7 **MS. HATFIELD:** Good morning,
8 Commissioners. Meredith Hatfield, for the Office of
9 Consumer Advocate. And, with me today is Kenneth Traum,
10 Assistant Consumer Advocate.

11 **CHAIRMAN GETZ:** Good morning.

12 **CMSR. MORRISON:** Good morning.

13 **CMSR. BELOW:** Good morning.

14 **MS. ROSS:** Good morning, Commissioners.
15 Anne Ross, representing the Commission Staff. And, with
16 me today is the Assistant Director of the Gas/Water
17 Division, Steve Frink.

18 **CMSR. MORRISON:** Good morning.

19 **CMSR. BELOW:** Good morning.

20 **CHAIRMAN GETZ:** Good morning. Let's
21 address the Motion to Intervene first. Are there any
22 objections to the motion?

23 (No verbal response)

24 **CHAIRMAN GETZ:** Okay. Then,

1 acknowledging that there are no objections, and concluding
2 that there are rights, duties, privileges, or other
3 interests that may be affected by this proceeding, we will
4 grant the Petition to Intervene of Hess Corporation.

5 Is there anything else we should
6 address, before giving the opportunity to have the parties
7 state their position with respect to this proceeding?

8 (No verbal response)

9 **CHAIRMAN GETZ:** Hearing nothing, then,
10 Mr. Camerino.

11 **MR. CAMERINO:** Thank you, Mr. Chairman.
12 KeySpan filed its IRP in this case, which sets forth its
13 planning process for energy supply in meeting its
14 forecasted demand of its customers. That filing is also
15 intended to comply with the Commission's Order
16 Number 24,531, in dockets DG 04-133 and DG 04-175 and the
17 settlement in that proceeding. In addition, as the
18 Company had agreed, the IRP also describes the Company's
19 position with regard to the establishment of a capacity
20 reserve margin, and sets forth the Company's position that
21 such a reserve margin is not necessary, given the number
22 of grandfathered transportation customers that the Company
23 has and the experience it has had with them.

24 I would note that the Company is

1 currently working out a procedural schedule with the Staff
2 and parties, and expects to come to agreement on such a
3 schedule later today. And, we've already received some
4 data requests from the Commission Staff, which, while the
5 procedural schedule won't, I believe, be addressing those,
6 those are already in process. We expect to have some
7 answers out in the next day or two, and the remainder of
8 the answers shortly thereafter. We do appreciate the
9 Staff's effort to try and get the Company questions up
10 front and not wait until later in the schedule. That's
11 very helpful to the Company in coordinating this with
12 other dockets, and we thank them for that.

13 **CHAIRMAN GETZ:** Thank you.

14 Ms. Bachelder.

15 **MR. BACHELDER:** Good morning. Hess
16 Corporation is here to support KeySpan's position that no
17 reserve is required to back up grandfathered
18 transportation customers.

19 **CHAIRMAN GETZ:** Thank you.

20 Ms. Hatfield.

21 **MS. HATFIELD:** Thank you. The Office of
22 Consumer Advocate would like to thank KeySpan for the
23 thoroughness of their IRP filing. But also note that it
24 raises many questions that we look forward to answering

1 during the technical session and during the period for
2 discovery. And, that our focus will be on the process for
3 the planning that the Company proposes.

4 **CHAIRMAN GETZ:** Thank you. Ms. Ross.

5 **MS. ROSS:** Yes. The Staff appreciates
6 the time and the effort that KeySpan has expended in
7 developing this IRP. The filing does follow the framework
8 agreed to by the parties in the settlement as part of DG
9 04-133 and 04-175. Staff looks forward to examining this
10 IRP and the work behind it through discovery in this
11 proceeding. On a very preliminary basis, before the
12 benefit of discovery, the Staff has concerns with the
13 level of planning which has preceded this filing and
14 whether all supply and demand alternatives have been
15 identified.

16 The Company's planning process should be
17 transparent and must involve a thorough inquiry into
18 alternative supplies, as well as demand-side options, in
19 order to give natural gas customers a truly least cost
20 plan for the future. We look forward to exploring these
21 issues with the Company, and, if necessary, fleshing out
22 this IRP, consistent with the earlier settlement
23 agreement. Thank you.

24 **CHAIRMAN GETZ:** All right. Well, is

1 there anything else that we should hear this morning?

2 (No verbal response)

3 **CHAIRMAN GETZ:** Okay. Then, hearing
4 nothing, we will close the prehearing conference, await a
5 recommendation from the parties on the technical session,
6 and take the matter under advisement. Thank you.

7 **(Whereupon the prehearing conference**
8 **ended at 10:12 a.m.)**

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