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STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

May 10, 2013 - 10:02 a.m.  
Concord, New Hampshire

NHPUC MAY15/13 PM 4:18

RE: DE 12-347  
GRANITE STATE ELECTRIC COMPANY  
d/b/a LIBERTY UTILITIES:  
Least Cost Integrated Resource Plan.  
(Prehearing conference)

PRESENT: F. Anne Ross, Esq.  
(Presiding as Hearings Examiner)

Sandy Deno, Clerk

APPEARANCES: Reptg. Granite State Electric Company  
d/b/a Liberty Utilities:  
Sarah B. Knowlton, Esq.

Reptg. PUC Staff:  
Alexander Speidel, Esq.  
Steven E. Mullen, Asst. Dir./Electric Div.

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

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

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2 MS. ROSS: Good morning, all. I'm Anne  
3 Ross. I'll be serving as Hearings Examiner for this  
4 prehearing conference this morning. And, I'd like to open  
5 the prehearing conference in Docket DE 12-347. On  
6 December 3rd, 2012, Granite State Electric Company, d/b/a  
7 Liberty Utilities, filed its 2012 Least Cost Integrated  
8 Resource Plan with the New Hampshire Public Utilities  
9 Commission, pursuant to RSA 378:37 and Commission Order  
10 Number 25,370, on May 30th, 2012.

11 I would like to begin by taking  
12 appearances.

13 MS. KNOWLTON: Good morning, Hearing  
14 Officer Ross. My name is Sarah Knowlton. And, I'm here  
15 today on behalf of Granite State Electric Company, which  
16 does business as Liberty Utilities.

17 MS. ROSS: Good morning.

18 MR. SPEIDEL: Good morning, Attorney  
19 Ross. My name is Alexander Speidel. And, I am  
20 representing the Staff of the Commission. And, I have  
21 with me Assistant Director Steve Mullen of the Electric  
22 Division.

23 MS. ROSS: Good morning. And, I believe  
24 we have an affidavit of publication filed. I was curious,

1 is this Massachusetts Eagle Tribune --

2 MS. KNOWLTON: The Eagle Tribune is the  
3 paper that circulates in the area of Salem, New Hampshire.

4 MS. ROSS: Okay.

5 MS. KNOWLTON: Which is why we always  
6 try to publish there, as well as in the Valley News, which  
7 covers the other part of the state in which the Company  
8 does business.

9 MS. ROSS: All right. Okay. Thank you.  
10 Were there -- I didn't see any interventions filed. Is  
11 anyone aware of any intervenors in this docket?

12 (Atty. Speidel shaking head in the  
13 negative.)

14 MS. ROSS: All right. In that case, are  
15 there any pending motions or other issues that need to be  
16 addressed this morning?

17 MS. KNOWLTON: I mean, the only issue  
18 that's procedural in nature is that the Company did, when  
19 it filed its Least Cost Integrated Resource Plan, did  
20 request a waiver of the statute, to the extent that it  
21 required the Company to include an analysis of issues  
22 relating to the Clean Air Act amendments of 1990 and the  
23 National Energy Policy Act of 1992. The Company didn't  
24 feel that these are relevant to its planning process. The

1 Company does not own any generation. And, we had a hard  
2 time tying that into the Plan. So, that's the only  
3 procedural issue that I'm aware of.

4 MS. ROSS: Okay. In that case, why  
5 don't we take the parties' initial positions.

6 MS. KNOWLTON: Okay. On behalf of the  
7 Company, the Company is pleased to present this Least Cost  
8 Integrated Resource Plan for the Commission's  
9 consideration. In many ways, this docket is a revival of  
10 a prior IRP docket that existed prior to the sale of  
11 Granite State Electric Company to Liberty Utilities. At  
12 the time that the sale proceeding was initiated, there was  
13 an IRP docket for Granite State that was underway and had  
14 proceeded through discovery and technical sessions. And,  
15 my understanding was that, you know, given the sale, there  
16 was a decision made to essentially close that docket, and  
17 to require Granite State to refile an IRP, which is the  
18 genesis of this docket.

19 So, here we are back. And, I think  
20 probably the most salient change is that the Company has  
21 been sold. But I will say that this IRP was put together  
22 with some significant assistance from National Grid, from  
23 which the Company is still receiving transition services.  
24 So, in many ways, this particular IRP is a joint National

1 Grid/Liberty effort. And, you know, we certainly will  
2 involve people from National Grid, to the extent that  
3 that's necessary. Though, our Engineering group has  
4 played a big role in this, given that the Plan is premised  
5 around the Company's five-year capital plan.

6 So, with that said, we look forward to  
7 exploring all of the issues that are of interest to the  
8 Staff, as it relates to the Plan, and the Commission in  
9 this docket. And, Staff has provided a proposed  
10 procedural schedule to me, which we will consider when we  
11 adjourn to the technical session. And, I'm certain that  
12 we'll have agreement on that for the Commission's  
13 consideration.

14 MS. ROSS: Thank you.

15 MR. SPEIDEL: Yes. Thank you, Attorney  
16 Ross. I would say that Staff intends to develop a  
17 procedural schedule, together with Ms. Knowlton, this  
18 morning. It would be fairly comprehensive. None of the  
19 features extend beyond September within the proposed  
20 procedural schedule that we'd like to suggest, and the  
21 proceeding may close at an earlier date, depending on how  
22 things develop.

23 Certainly, we plan to have a first round  
24 of data requests to the Company sent out by the end of the

1 month, around the third week of May, and then subsequent  
2 rounds of data requests and discussions, and potential  
3 Staff testimony as well.

4 I think it's fair to say that the Staff  
5 is broadly supportive of the waiver request. And, I would  
6 just like to mention that, in terms of the National Energy  
7 Policy Act of 1992, that has been superseded to some  
8 extent, as mentioned in the PSNH LCIRP ruling, by more  
9 up-to-date statutes. So, it might not really be in play  
10 in any instance. But, given the lack of owned generation  
11 resources within the Liberty system, we think that the  
12 waiver request is appropriate and reasonable. And, Staff  
13 doesn't have a position as to when that should be  
14 addressed, whether now or at a later stage in the  
15 proceeding by the Commission, but we'd just like to put  
16 that out there.

17 And, we do look forward to working with  
18 the Company to investigate their planning methodologies  
19 within this proceeding. Thank you.

20 MS. ROSS: One question for Staff. Does  
21 Staff believe that more record or evidence is needed  
22 before Staff would have a final position on the Company's  
23 waiver request?

24 MR. SPEIDEL: I don't think -- I don't

1 think so, Attorney Ross. The reasoning behind supporting  
2 the waiver request would rest on the fact that there are  
3 no generation resources in the ownership of Liberty. They  
4 acquire fungible electricity through contracts through  
5 market operations within the ISO-New England system. So,  
6 without pollution-generating and energy-consuming  
7 generation resources within their own system, there really  
8 wouldn't be much profit in examining those issues for the  
9 Commission.

10 MS. ROSS: Thank you. Just for my own  
11 purposes here, does the Company believe that it needs to  
12 supplement the record any further, before the Commission  
13 would consider the waiver request, or is the Company  
14 comfortable that its request can be ruled on at this  
15 point?

16 MS. KNOWLTON: There's nothing further  
17 that we would add to the record on this. Thank you.

18 MS. ROSS: Okay. If there are no  
19 further issues, I would like to close the prehearing  
20 conference. I will make a recommendation to the  
21 Commission with regard to the waiver request. And, if the  
22 parties can agree with a procedural schedule, once you've  
23 had a chance to meet and discuss it, if you would let me  
24 know that as well, I can incorporate that into my

1 recommendation to the Commission. Obviously, the  
2 Commission will make its own decision on my  
3 recommendation. So, with that, thank you all.

4 MS. KNOWLTON: Thank you.

5 MR. SPEIDEL: Just one more thing,  
6 Attorney Ross.

7 MS. ROSS: Yes.

8 MR. SPEIDEL: Would you want to have a  
9 formal letter filed on the docket addressing the  
10 procedural schedule to you or --

11 MS. ROSS: You may file it, it would be  
12 helpful to file it, but file it under the normal course,  
13 which is to Debra Howland, and I will receive a copy of  
14 it.

15 MR. SPEIDEL: Thank you.

16 MS. ROSS: Thank you.

17 **(Whereupon the prehearing conference**  
18 **ended at 10:10 a.m. and a technical**  
19 **session was held thereafter.)**

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