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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

May 13, 2009 - 2:16 p.m.
Concord, New Hampshire

RE: DE 09-035
PUBLIC SERVICE OF NEW HAMPSHIRE:
Notice of Intent to File Rate Schedules.
(Prehearing conference)

PRESENT: Chairman Thomas B. Getz, Presiding

Sandy Deno, Clerk

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

Reptg. Residential Ratepayers:
Meredith Hatfield, Esq., Consumer Advocate
Office of Consumer Advocate

Reptg. PUC Staff:
Edward N. Damon, Esq.
Matthew Fossum, Esq.

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

1 P R O C E E D I N G S

2 CHAIRMAN GETZ: Okay. Good afternoon.
3 I'll open the prehearing conference in DE 09-035. I
4 understand we have some procedural infirmities, but I'll
5 get background on the record before we discuss next steps.
6 On April 17, 2009, Public Service Company of New Hampshire
7 filed a petition for temporary delivery rates pursuant to
8 RSA 378:27. The petition requests an order approving an
9 increase in distribution rates of \$36.4 million, or
10 approximately 14 percent, to become effective July 1.
11 According to the filing, during the month of May, PSNH
12 will be initiating changes to the Stranded Cost Recovery
13 Charge and Default Energy Service Charge to be effective
14 July 1, that, if combined with the temporary increase,
15 would result in an average decrease to overall electric
16 service rates of 1.3 percent. PSNH, as indicated in the
17 order of notice, states that it anticipated filing a
18 permanent delivery rate request in the near future.

19 An order of notice was issued April 30
20 setting the prehearing conference for this afternoon. My
21 understanding is publication was not made. And, I will
22 also note for the record that we have a notice of the
23 Office of Consumer Advocate's intent to participate, and
24 we have a Petition to Intervene by Unitil, and we have

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1 filed today a memorandum in support of temporary rates, a
2 memorandum of law filed by PSNH.

3 So, where are we?

4 MR. EATON: We did not publish the order
5 of notice, your Honor. And, collectively, I represent
6 that the parties don't believe that, if you reissue an
7 order of notice and schedule a further prehearing
8 conference to entertain other Petitions to Intervene of
9 people who did not know that there was a proceeding, that
10 there would be sufficient time before the scheduled
11 hearing of June 16th, so that rates could change on, if
12 granted, the temporary rates could be effective on July
13 the 1st. So, we've agreed that they should be postponed,
14 the effective date, proposed effective date should be
15 postponed to August 1st, and PSNH will file its notice of
16 intent in the permanent case on or before June 1st, and
17 file its permanent rate case on or before July 1st, for
18 effect on August 1st.

19 CHAIRMAN GETZ: When you were referring
20 to the June 16 hearing, was that in respect to the other
21 dockets?

22 MR. EATON: No. I think that was the
23 date scheduled in this proceeding for a hearing on the
24 merits for temporary rates. I think that was in the order

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1 of notice.

2 CHAIRMAN GETZ: Okay. I see it.

3 MR. EATON: And, we will continue to
4 talk about a procedural schedule, given the turn of events
5 today. But that's what we're suggesting to the
6 Commission, that a new order of notice be issued and see
7 if the Commission can find another hearing date before
8 August 1st for the hearing on the merits, and perhaps
9 another prehearing conference to entertain any other
10 Petitions to Intervene of people who did not get notice of
11 today's hearing.

12 CHAIRMAN GETZ: Isn't there also this
13 threshold legal issue about the priority of temporary
14 rates in this situation? At least as far as my memory
15 serves, this is an issue of first impression.

16 MR. EATON: If the temporary rates are
17 to be effective on August 1st, and we file a permanent
18 rate case before -- we file the permanent case on or
19 before July 1st, I think it's in the Pennichuck case where
20 that's sufficient notice that there's going to be a rate
21 change. And, that we don't think the memorandum -- and
22 that would be the same way we proceeded in the last
23 proceeding, where we filed our notice of intent about at
24 the same time as the temporary rate petition, and the

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1 permanent rate case was filed before the temporary rate
2 hearing.

3 CHAIRMAN GETZ: Okay. Well, I guess
4 we'll entertain those positions. Is there anything else,
5 Mr. Eaton?

6 MR. EATON: No.

7 CHAIRMAN GETZ: Ms. Hatfield.

8 MS. HATFIELD: Thank you, Mr. Chairman.
9 Meredith Hatfield, for the Office of Consumer Advocate. I
10 apologize, but I'm not really ready to address that issue
11 now, given what we learned today about the fact that this
12 wasn't properly noticed.

13 CHAIRMAN GETZ: Well, I'm not expecting
14 an answer on the substantive legal issue, --

15 MS. HATFIELD: Okay.

16 CHAIRMAN GETZ: -- knowing that the
17 memorandum was just filed today. But just addressing
18 process of how we deal with these issues is what I'm most
19 interested in.

20 MS. HATFIELD: Well, I think they're
21 pretty closely intertwined. I agree, I think Mr. Eaton
22 did capture what the parties had discussed, that we think,
23 because the order of notice was not publicized, that we do
24 need to move off the date of this prehearing conference

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1 and the date of the final hearing. And, what we need to
2 consider is how just moving these dates out to be closer
3 to when the permanent rate case is filed, how that impacts
4 what I think you called the "threshold legal issue". And,
5 I apologize, I'm just not prepared to give the OCA's final
6 position on that at this time. But the parties talked
7 before the hearing opened about continuing to discuss this
8 after the hearing and then posing in a letter to the
9 Commission how we might go about addressing those issues.
10 But I apologize that I'm not able to do that now.

11 CHAIRMAN GETZ: Okay. Thank you.

12 Mr. Damon.

13 MR. DAMON: Thank you. For the record,
14 my name is Edward Damon, and with me today is Matthew
15 Fossum and Steve Mullen. Mr. Eaton, I think, has
16 accurately portrayed the discussions between the Company
17 and OCA and Staff about the procedural posture of the
18 case. And, I think we would like to continue the
19 discussions after the prehearing conference today, and
20 hope to file a proposal for how to proceed subsequent to
21 the conference today.

22 CHAIRMAN GETZ: Okay. Is there anything
23 else we need to address?

24 (No verbal response)

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1 CHAIRMAN GETZ: Then, I will close the
2 prehearing conference, and we will await a proposal from
3 the parties on next steps in this docket. Thank you.

4 (Whereupon the prehearing conference
5 ended at 2:24 p.m.)

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