



**Public Service  
of New Hampshire**

780 N. Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire  
P. O. Box 330  
Manchester, NH 03105-0330  
(603) 634-3355  
(603) 634-2438

bersara@psnh.com

A Northeast Utilities Company

**Robert A. Bersak**  
Assistant Secretary and  
Assistant General Counsel

October 19, 2010

Ms. Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, New Hampshire 03301

**Re: *Docket No. DE 10-195***  
***Petition for Approval of Power Purchase Agreement between***  
***Public Service Co. of New Hampshire and Laidlaw Berlin BioPower, LLC***

Dear Secretary Howland:

Late Friday afternoon, Public Service Company of New Hampshire (“PSNH” or “the Company”) received the Commission’s “Prehearing Conference Order,” Order No. 25,158, issued in Docket No. 10-195 on October 15, 2010. In that Order, contrary to past precedent and procedure, the Commission denied PSNH’s detailed “Motion for Confidential Treatment Pursuant to RSA Chapter 91-A and N.H. Code Admin. Rules Puc §203.08” of certain confidential, commercial, or financial information contained in the Power Purchase Agreement (“PPA”) entered into by and between PSNH and Laidlaw Berlin BioPower, LLC. The Commission directed PSNH to promptly make public that confidential, commercial, or financial information.

In the Order, the Commission appears to have distinguished the present case from past precedent based upon its impression that there is little likelihood of harm to PSNH or its customers if the confidential information was not protected from disclosure. The Order states, “We do not find that the possibility of such harm outweighs the public interest in being informed of the pricing terms of the contract inasmuch as approval of a PPA of this size could make future PPAs less likely,” and goes on to cite PSNH President Gary Long’s testimony to substantiate this finding.

Unfortunately, the Commission has misinterpreted Mr. Long’s testimony - - the Company admits that Mr. Long’s testimony could have been drafted more precisely to prevent such misinterpretation. The Commission cites to page 5 of Mr. Long’s testimony (BATES 16) where he testifies, “At this time, PSNH’s interest in entering into additional long term power purchase agreements is highly limited.” Based upon that limited extract from Mr. Long’s testimony, the

Commission substantiates its determination that it is unlikely for PSNH to be in the competitive market for any other PPAs in the near future. But, the Commission's understanding is incorrect. As one reads Mr. Long's testimony as a whole, it is clear that the Laidlaw PPA was based upon PSNH's requirements to fulfill Class I renewable energy requirements under the state's Renewable Portfolio Standards ("RPS") law. Indeed, the very next portion of Mr. Long's testimony following the cited provision explains that the Company's limited future interest in PPAs deals with PSNH's requirements to meet RPS mandates. It was not intended to mean that PSNH would not be in the competitive energy market at all. Attached hereto is an affidavit from Mr. Long providing this clarification of his testimony.

Three days prior to the Commission's Order, on October 12, 2010, as part of the roll-out of The Northern Pass transmission project, it was publically announced that, "PSNH is in discussion with HQ Hydro Renewable Energy to develop a long-term power purchase agreement to secure a long-term supply of renewable and reliable energy, as well as securing additional long term benefits for its customers in New Hampshire."<sup>1</sup> Governor Lynch lauded the possibility of bringing that new renewable power source to New Hampshire, and was quoted as saying, "This will increase renewable energy for New Hampshire, and it will be stable, competitively priced energy."<sup>2</sup> Clearly, such on-going discussions between PSNH and HQ Hydro Renewable Energy demonstrate that Mr. Long's testimony has been misinterpreted.<sup>3</sup> The public release of the confidential pricing information contained in the Laidlaw PPA in the midst of PSNH's on-going negotiations with HQ Hydro Renewable Energy would have a chilling effect on those negotiations, and would indeed "affect PSNH[s]...ability to negotiate such contracts in the future."

Moreover, the Commission's approval of the Laidlaw PPA is not assured. If the Laidlaw PPA is ultimately rejected by the Commission, PSNH would immediately be back in the RPS market with the details of the rejected Laidlaw PPA available to every supplier. That potential eventuality is also inconsistent with the Commission's basis for denial of the confidentiality motion.

This letter is not intended to be a Motion for Rehearing of Order No. 25,158. The Company, in consultation with Laidlaw, is determining what course of action to take in light of the Commission's unprecedented denial of confidentiality for the Laidlaw PPA.

PSNH understands the importance of receiving a timely decision regarding the Laidlaw PPA, given the impacts delay would have on the availability of jobs, tax incentives, and other beneficial attributes of the Laidlaw project. However, until this issue reaches finality, pursuant to N.H. Admin. Rule Puc 203.08(i), "the information shall not be disclosed until all rights to

---

<sup>1</sup> The Northern Pass media release 10-002, October 12, 2010, available at <http://northernpass.us/TheNorthernPassAnnouncementPressRelease101210.pdf>

<sup>2</sup> Union-Leader, "Franklin Power Station a Winner," October 14, 2010. *See also*, Press Release, Office of the Governor, "Governor Lynch, Franklin City Officials Announce Major Job Creation Project," October 12, 2010, and Laconia Citizen, "Energy project unveiled; impact called 'staggering'," October 13, 2010.

<sup>3</sup> Although energy obtained from Hydro-Québec would be primarily from hydropower, it is not currently a renewable source recognized under the RPS statute. *See*, RSA 362-F:6,IV(a).

request rehearing and to appeal have been exhausted or waived.” Therefore, the Company will endeavor to act swiftly regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Bersak". The signature is fluid and cursive, with a prominent flourish at the end.

Robert A. Bersak  
Assistant Secretary and  
Assistant General Counsel

cc: Service List

**THE STATE OF NEW HAMPSHIRE**  
**before the**  
**PUBLIC UTILITIES COMMISSION**

Public Service Company of New Hampshire

Petition for Approval of PPA with Laidlaw Berlin BioPower, LLC

Docket No. DE 10-195

*Affidavit of Gary A. Long*

**I, Gary A. Long, being first duly sworn and put upon oath, do hereby state:**

I am Gary A. Long, President and Chief Operating Officer of Public Service Company of New Hampshire ("PSNH").

On July 26, 2010, my prefiled testimony was submitted in the above-captioned proceeding to support the review and approval of a Power Purchase Agreement entered into by and between PSNH and Laidlaw Berlin BioPower, LLC.

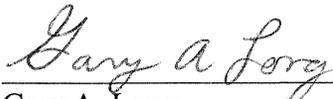
In that prefiled testimony, at page 5, line 14, the question "How does this compare with PSNH's own interest in entering into additional long term power purchase agreement[s]?" was posed to me. My response, beginning at line 16 of that same page was "At this time, PSNH's interest in entering into additional long term power purchase agreements is highly limited."

That statement was intended to relate only to additional long term power purchase agreements for PSNH to comply with New Hampshire's Renewable Portfolio Standards Law, RSA Chapter 362-F for Class 1, the Class in which the Laidlaw project is expected to qualify.

I had intended the question following the above-referenced one to provide that additional detail; in hindsight, my original testimony should not have relied upon the subsequent question to clarify my intent.

If asked that same question today, (i.e., "How does this compare with PSNH's own interest in entering into additional long term power purchase agreement?"), my response would be:

"At this time, and assuming the contract with LBB is approved, PSNH's interest in entering into additional long term power purchase agreements to fulfill the Company's Class 1 Renewable Portfolio Standard obligation is highly limited."

  
\_\_\_\_\_  
Gary A. Long

**SUBSCRIBED AND SWORN TO** before me, a Notary Public for the State of New Hampshire, this 19<sup>th</sup> day of October, 2010, by Gary A. Long, an individual whose identity is personally known to me.

**ANNETTE C. MAYO, Notary Public**  
**My Commission Expires July 14, 2015**

  
\_\_\_\_\_  
Notary Public