

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

September 21, 2011 - 9:04 a.m.  
Concord, New Hampshire

NHPUC OCT31'11 PM 2:06

RE: DE 11-016  
GRANITE STATE ELECTRIC COMPANY  
d/b/a NATIONAL GRID:  
*Default Service for the Period  
November 1, 2011 through  
January 31, 2012 for the Large  
Customer Group and for the period  
November 1, 2011 through  
April 30, 2012 for the Small  
Customer Group.*

PRESENT: Chairman Thomas B. Getz, Presiding  
Commissioner Amy L. Ignatius

Sandy Deno, Clerk

APPEARANCES: Reptg. Granite State Electric Company  
d/b/a National Grid:  
Jinjue Pak, Esq. (McLane, Graf...)

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

Reptg. PUC Staff:  
Suzanne G. Amidon, Esq.

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

ORIGINAL

## I N D E X

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**WITNESS: MARGARET M. JANZEN**

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1                                   P R O C E E D I N G

2                                   CHAIRMAN GETZ:   Okay.   Good morning.

3       We'll open the hearing in Docket DE 11-016.   On  
4       September 15, 2011, Granite State Electric Company filed a  
5       notice of its proposed Default Service rates for the small  
6       customer group for the period November 1, 2011 through  
7       April 30, 2012.   A secretarial letter was issued on  
8       September 19 setting the hearing for this morning.

9                                   So, can we take appearances please.

10                                  MS. PAK:   Good morning, Commissioners.  
11       Jinjue Pak, of the McLane law firm, on behalf of Granite  
12       State Electric Company, doing business as National Grid.  
13       We me today is the Company's witness, Margaret Janzen,  
14       also present are James Ruebenacker and Mike Pini from  
15       National Grid, as well as Bob Campbell, from Liberty  
16       Energy Utilities Company.   Thank you.

17                                  CHAIRMAN GETZ:   Good morning.

18                                  MR. RUEBENACKER:   Good morning.

19                                  MS. HATFIELD:   Good morning,  
20       Commissioners.   Meredith Hatfield, for the Office of  
21       Consumer Advocate, on behalf of residential ratepayers,  
22       and with me is Donna McFarland.

23                                  CHAIRMAN GETZ:   Good morning.

24                                  MS. AMIDON:   Good morning.   Suzanne

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1 Amidon, for Commission Staff. With me today is Grant  
2 Siwinski, an Analyst in our Electric Division.

3 CHAIRMAN GETZ: Okay. Ms. Pak, are you  
4 ready to proceed?

5 MS. PAK: I am. Thank you. As a  
6 preliminary matter, the Company would like to propose to  
7 mark for identification its redacted Default Service  
8 filing, dated September 19th, 2011, as "Exhibit 6". It is  
9 the bound volume with the blue cover. The Company would  
10 also propose to mark for identification its confidential  
11 Default Service filing, dated September 19th, 2011, as  
12 "Exhibit 7". It is the bound volume with the red cover.

13 CHAIRMAN GETZ: Okay. So marked.  
14 (The documents, as described, were  
15 herewith marked as **Exhibit 6** and  
16 **Exhibit 7**, respectively, for  
17 identification.)

18 MS. PAK: And, the Company also filed a  
19 Motion for a Protective -- a Motion for Protective Order  
20 and Confidential Treatment regarding its confidential  
21 filing.

22 CHAIRMAN GETZ: Is there any objection  
23 to the Motion for Confidentiality?

24 (No verbal response)

[WITNESS: Janzen]

1 CHAIRMAN GETZ: All right. Please  
2 proceed.

3 MS. PAK: Thank you. The Company calls  
4 Margaret Janzen.

5 (Whereupon **Margaret M. Janzen** was duly  
6 sworn and cautioned by the Court  
7 Reporter.)

8 MS. PAK: Good morning.

9 WITNESS JANZEN: Good morning.

10 **MARGARET M. JANZEN, SWORN**

11 **DIRECT EXAMINATION**

12 BY MS. PAK:

13 Q. Can you please state your full name for the record?

14 A. Yes. My name is Margaret M. Janzen.

15 Q. By whom are you employed?

16 A. National Grid.

17 Q. And, what is your position at National Grid?

18 A. I'm the Director of Wholesale Electric Supply at  
19 National Grid.

20 Q. What do your job responsibilities include?

21 A. They include overseeing the procurement of default  
22 service for Granite State Electric Company, in addition  
23 to other U.S. utilities.

24 Q. How long have you held that position?

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[WITNESS: Janzen]

1 A. I've had that since March 2008.

2 Q. Thank you. Do you have before you the documents marked  
3 as "Exhibits 6" and "7"?

4 A. Yes, I do.

5 Q. Are you familiar with these exhibits?

6 A. Yes, I am.

7 Q. Can you please identify for the record what Exhibit 6  
8 is?

9 A. Exhibit 6 is the testimony and schedules prepared under  
10 my direction for the Default Service period beginning  
11 November 1st, 2011.

12 Q. And, for the record, can you please also identify what  
13 is marked as "Exhibit 7"?

14 A. That is the same copy that is the confidential version  
15 for that same period.

16 Q. Okay. And, were these exhibits prepared by you or  
17 under your direction?

18 A. They were prepared under my direction.

19 Q. Great. Do you have any corrections today to your  
20 written testimony or any of its accompanying schedules?

21 A. Yes. Actually, I have two typographical corrections.  
22 On Bates stamp Page 111, which is Schedule MMJ-8, in  
23 the notes at the bottom of the page, Note 15, that  
24 should be "Schedule MMJ-2", not "6".

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[WITNESS: Janzen]

1                   The second correction is on Bates stamp  
2           Page 3. On Line 21, the second word there should be  
3           the number "1993", not "1989". That's it.

4   Q.   Okay. Other than these two corrections, do you have  
5           any other corrections to your written testimony and  
6           schedules?

7   A.   No, I do not.

8   Q.   If I were to ask you the questions contained in your  
9           written testimony today, would your answers be the  
10          same, with the exception of the two corrections you  
11          just mentioned?

12   A.   Yes.

13                   MS. PAK: Thank you. The witness is  
14           available for cross-examination.

15                   CHAIRMAN GETZ: Thank you.

16   Ms. Hatfield.

17                   MS. HATFIELD: Thank you, Mr. Chairman.  
18           Good morning, Ms. Janzen.

19                   WITNESS JANZEN: Good morning.

20                   **CROSS-EXAMINATION**

21   BY MS. HATFIELD:

22   Q.   What is the proposed Default Energy Service rate for  
23          the Small Customer class beginning on November 1st?

24   A.   The Small Customer Group proposed Default Service rate

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[WITNESS: Janzen]

1 is in Schedule MMJ-8. And, the rate is indicated on  
2 Line 16. And, it -- I'm sorry, that is the -- in  
3 November, it starts on November 1st, and ranges from  
4 \$0.06724 per kilowatt-hour, starting in November.

5 Q. And, we can find that number also on Page 13 of your  
6 testimony, that's on Bates Page 15, on Line 13?

7 A. Yes. On Bates stamp Page 16, the residential rate for  
8 the period is -- I'm sorry, I was looking at the bill  
9 impacts.

10 Q. I believe it's on Bates Page 15, at Line 13.

11 A. Oh, thank you. Yes.

12 Q. And, that's the 7.746 cents per kilowatt-hour?

13 A. Yes. That, to clarify, that's the rate for the entire  
14 period, yes.

15 Q. And, then, you describe the bill impacts on the next  
16 page?

17 A. Yes.

18 Q. Could you please turn to Page 5, Bates Page 5 of your  
19 testimony. On that page, there's a section titled  
20 "Bidding Process", is that right?

21 A. That's correct.

22 Q. And, if we turn the page, at the top of the next page,  
23 that's Bates Page 6, you discuss a "joint request for  
24 proposals". Do you see that?

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[WITNESS: Janzen]

1 A. That, yes.

2 Q. And, you describe the joint RFP for three National Grid  
3 electric companies?

4 A. That's correct.

5 Q. What are the three companies?

6 A. It's, in addition to Granite State Electric, there's  
7 Massachusetts Electric Company and Nantucket Electric  
8 Company.

9 Q. Does the Company believe that Granite State Electric  
10 customers benefit, in terms of pricing, by the Company  
11 issuing a joint RFP?

12 A. In terms of a benefit to Granite State customers, there  
13 is a convenience for the bidders, in terms of having a  
14 large RFP with several blocks. But the Company would  
15 not anticipate any issues if there was a separate RFP  
16 for Granite State Electric, separate from those other  
17 two companies.

18 Q. Thank you. You have a schedule attached to your  
19 testimony on bill impacts, is that correct?

20 A. Yes. The bill impact schedule is MMJ-9.

21 Q. So, if we turn to Bates Page 113, we could see the bill  
22 impacts on the residential customers?

23 A. That is correct.

24 Q. And, we can see that there is roughly an 8 percent

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[WITNESS: Janzen]

1 increase as a result of the new energy service rate?

2 A. Yes. That approximately 8 percent increase, that is  
3 for both a typical customer usage of 500  
4 kilowatt-hours, in addition to the average for the last  
5 12 months for a residential customer, which happen to  
6 be 672 kilowatt-hours.

7 Q. And, if we turn to the last page of your filing, which  
8 is Bates Page 132, you have provided a "Customer  
9 Migration Report", is that correct?

10 A. That is correct.

11 Q. And, if we look at the lower part of the table you've  
12 provided, you show the percentage of each customer  
13 class that has migrated, is that right?

14 A. That is correct.

15 Q. And, if I'm reading this correctly, as a percentage of  
16 kilowatt-hours, Class G-1 shows that 65 percent of  
17 those sales have migrated?

18 A. Yes. That is correct.

19 Q. And, if we look at the number of customers, it is  
20 42 percent?

21 A. Yes. That is correct.

22 MS. HATFIELD: Thank you, Mr. Chairman.  
23 I have nothing further.

24 CHAIRMAN GETZ: Thank you. Ms. Amidon.

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[WITNESS: Janzen]

1 MS. AMIDON: Thank you. Good morning.

2 WITNESS JANZEN: Good morning.

3 BY MS. AMIDON:

4 Q. You provided a brief summary of the rate impacts for  
5 the small customer group. Would you explain the range  
6 of impacts on the Large Customer Group?

7 A. Yes. The bill impacts for the Large Customer Group  
8 have a range of 11.7 percent to 14.3 percent increase,  
9 as compared to the three-month period ending  
10 October 2011.

11 Q. I notice in your testimony, when you discuss the bid  
12 process in this instance, and give me a moment to find  
13 it, you -- I believe is at Page Bates stamp 8 of your  
14 testimony, you discuss a situation where the lowest  
15 bidder for the Large Customer Group and the Small  
16 Customer Group, a single entity, had placed a  
17 restriction on the bid. Could you explain that  
18 restriction and how the Company decided to deal with  
19 that?

20 A. Yes. In this instance, there was a bidder that had  
21 submitted the lowest bid for both blocks, the large and  
22 the small. And, if I could turn your attention to  
23 Schedule MMJ-2, on Bates stamp 85.

24 Q. Excuse me. Is that in the public version or

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1 confidential version?

2 A. Yes, that's in the confidential, I'm sorry. I'll speak  
3 to it. When the Company evaluated what the -- what  
4 would be in the best interest for what would be the  
5 lowest cost overall for the customers, awarding -- we  
6 looked at the two scenarios, whether the restriction of  
7 this bidder, they would only take one block, so we had  
8 to take one of their lowest pricing, and then give it  
9 to the second highest bidder for the second block.  
10 When we evaluated both ways in the schedule marked  
11 "confidential", it indicated that there was indeed a  
12 savings to the customers, and that's the way that the  
13 Company awarded the bid.

14 Q. And, so, if the Commission wanted to understand what  
15 you did, it's on Bates stamp 55 of the confidential  
16 exhibit, if I'm correct, Exhibit 7. And, if you look  
17 at the redacted piece there, the redacted information  
18 that follows the block at the first paragraph, it  
19 refers to the different blocks of power for the New  
20 Hampshire group, is that correct?

21 A. That is correct.

22 Q. And, Block P is which group?

23 A. Block P is the Large Group.

24 Q. Correct. And, Block I then is -- I mean, excuse me,

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1 strike that. Block Q is the Small Customers?

2 A. That is correct.

3 Q. Okay. And, if the Commission needs further  
4 clarification, I'm sure the witness can answer this in  
5 a confidential portion of the transcript, if you need  
6 further clarification on what decision the Company  
7 made. I was hoping that this would make it clear.

8 Now, with respect to the Large Customer  
9 Group, the Staff noticed that the contract contain  
10 different prices than the exhibit which calculated the  
11 Default Service rate. And, when I refer to the  
12 "contract", that is in the confidential exhibit,  
13 Schedule MMJ-4. And, if you look at the first page of  
14 that exhibit, which is identified as Bates stamp 95,  
15 and look at the third paragraph or the third numbered  
16 paragraph of that agreement, it indicates what the rate  
17 is for each month in this three-month block, is that  
18 correct?

19 A. That is correct.

20 Q. However, if you look at MMJ-7, which is the calculation  
21 of the Default Service rate for the Large Customer  
22 Group, Line 4 indicates a different price per  
23 megawatt-hour than in the contract, is that correct?

24 A. That is correct.

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1 Q. Could you explain the reason for the differences?

2 A. Yes. The form of the confirm, the confirmation, which  
3 is Schedule MMJ-4, that pricing includes the full  
4 requirements obligations for the power supply, in  
5 addition to being awarded in a contract price, the RPS  
6 adder. So, that bidder had submitted competitive  
7 pricing, which is on Bates stamp 108. What we're  
8 reflecting here is separate separately, on Line Number  
9 4, the wholesale contract price is solely the full  
10 requirements service piece of the contract price. And,  
11 then, the adder is shown separately on Page 8 [Line  
12 8?]. So, if you were to convert the RPS adder to  
13 megawatt-hours added to the wholesale contract price,  
14 that does indeed match back to the confirmation price  
15 in Exhibit 4 [Schedule MMJ-4?].

16 Q. Okay. Pardon me. What would you subtract then from  
17 the contract numbers to derive the wholesale price that  
18 appears on Page 108?

19 A. In the evaluation of the bids, when the bids were  
20 submitted, the full requirements pricing for Default  
21 Service is priced separately from RPS adders. So, in  
22 Schedule MMJ-2, there are, in the exhibits to that  
23 schedule, in the evaluations that are marked  
24 "confidential", there are the separate evaluations of

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1 both pieces of that, of those bids. And, on --

2 Q. Could I help you?

3 A. Yes, please.

4 Q. Okay. I think what you're saying is, and correct me if  
5 I'm wrong, if you go to Page 108, Bates stamp 108, and  
6 you add Column -- I mean, Row Number 8, to Row Number  
7 4, if it was converted to kilowatt-hours -- or, strike  
8 that. I have it reversed. If you took converted to  
9 megawatt-hours the number that's presented at Row  
10 Number 8, and add it to the megawatt-hour number at  
11 Line Number 4, then you reach the total, which appears  
12 in the contract? Is that fair to say?

13 A. Yes.

14 Q. Okay.

15 A. That's a good explanation.

16 MS. AMIDON: I apologize if that was a  
17 confusing explanation for the Commission.

18 BY MS. AMIDON:

19 Q. I have just one final question, which is always my  
20 favorite question, which is "What is the current status  
21 of replacing the meter at the Tewksbury location?"

22 A. The Tewksbury project proceeds, and is on schedule to  
23 be -- for its completion date at the end of the year.  
24 And, the Company will be submitting an update at the

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1 end of the month on that project.

2 MS. AMIDON: Okay. That concludes my  
3 questions. Thank you.

4 CHAIRMAN GETZ: Thank you.

5 CMSR. IGNATIUS: Thank you. Good  
6 morning, Ms. Janzen.

7 WITNESS JANZEN: Good morning.

8 BY CMSR. IGNATIUS:

9 Q. I'd like a little more detail on a question that  
10 Ms. Hatfield asked you, about benefits that may have  
11 been there in the past with the joint RFP for the  
12 multiple affiliates, and whether there would be any  
13 loss of benefits if you were to go to a single RFP just  
14 for National Grid. I mean, it wasn't exactly her  
15 question, but that's what I'd like to explore. Are  
16 there benefits to ratepayers of doing it on a joint  
17 basis?

18 A. Any explicit benefit to ratepayers would be difficult  
19 to quantify specifically. Administratively, it was  
20 very convenient for National Grid to conduct these  
21 similar New England solicitations at the same time, so  
22 the -- in terms of doing things efficiently, and that  
23 was a benefit. I had indicated there may have been a  
24 convenience for suppliers in the New England space to

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1 submit their bids altogether, you know, in one large  
2 RFP.

3 However, as we look at how the RFPs have  
4 worked in the past, there would be no indication, going  
5 forward in the future, if Granite State Electric was  
6 conducted separately from the other two utilities, that  
7 there wouldn't be any issues in terms of being able to  
8 get competitive pricing. That we wouldn't see any  
9 issues arising in terms of getting access to the  
10 suppliers, in terms of getting competitive pricing. We  
11 would not see that as an issue.

12 Q. All right. Good. Thank you. I also had a question  
13 about a document that was a separate sheet in our  
14 packets, and I'm not sure if it's part of Exhibit 7.  
15 It's "Confidential Summary of Bids" regarding the RPS  
16 compliance?

17 A. Yes. This was filed with the Commission, this summary  
18 of our most recent RFP for RPS compliance. And, on  
19 this page is all the details of the bids that we  
20 received and the awards that the Company was able to  
21 competitively award.

22 CMSR. IGNATIUS: Mr. Chairman, I don't  
23 know if it's already part of Exhibit 7 and doesn't need to  
24 be marked. It's just loose in mine, maybe we should mark

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1 it as an additional exhibit? And, Ms. Pak, maybe you can  
2 help?

3 MS. PAK: Yes, if I may, Commissioners.  
4 The RFP summary was actually submitted to Commission Staff  
5 and provided as an attachment to the Company's Motion for  
6 Protective Treatment.

7 CMSR. IGNATIUS: Okay.

8 MS. PAK: But we would have no issues  
9 with offering it into the record as an exhibit, because we  
10 did provide a redacted version as well.

11 CMSR. IGNATIUS: All right. Well, that  
12 would be probably best then, if it was marked as  
13 "Exhibit 8".

14 BY CMSR. IGNATIUS:

15 Q. And, Ms. Janzen, I don't want to get into anything  
16 confidential, I just want to ask some general  
17 questions. So, without the names of the bidders and  
18 without the prices. I was struck with the range of  
19 bids within each of the classes. And, I assume, am I  
20 right, these bids mean these are companies that are  
21 offering RECs at a certain price?

22 A. That is correct.

23 Q. And, there's a pretty big range in the two classes  
24 where you had multiple bidders. Is that unusual to see

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[WITNESS: Janzen]

- 1 or is that the norm that you see that kind of a spread?
- 2 A. We're speaking of the RPS bids, right?
- 3 Q. Yes.
- 4 A. Yes. Yes. We have seen a rather wider range of bid
- 5 prices for RPS as we will compare to a range of bids on
- 6 the Default Service portion of it. And, I think it has
- 7 to do with the nature of the market. It is less
- 8 liquid, in terms of the units, the RECs that are
- 9 priced. So, yes, this is not unusual to see a range
- 10 regarding the RPS bid.
- 11 Q. All right. And, in your testimony, it was at Page 55,
- 12 there's a term that struck me, and I confess it's
- 13 probably been in every one of these documents and I've
- 14 never noticed it before. At the very bottom of
- 15 Page 55, and this is not a confidential term, it says
- 16 that "National Grid will attempt to procure these
- 17 requirements", meaning "REC requirements", "through
- 18 separate solicitations at a later date or by an ACP to
- 19 the Massachusetts Clean Energy Center." Does that mean
- 20 that, for New Hampshire-based RPS obligations, you
- 21 might demonstrate compliance by paying an ACP to
- 22 Massachusetts?
- 23 A. No. To clarify, I apologize if that's not clear, that
- 24 would be solely for the obligations, the RPS

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1 obligations in the State of Massachusetts. That has  
2 nothing to do with the New Hampshire RPS obligations.  
3 In Massachusetts, the ACP is submitted to that  
4 Massachusetts Clean Energy Center. So, to clarify,  
5 this statement does not -- would not apply to New  
6 Hampshire, only Massachusetts.

7 CMSR. IGNATIUS: Good. Thank you. My  
8 only other question is about the degree of protection  
9 requested, that's probably better directed to Ms. Pak.  
10 So, I think I have nothing else. Thank you.

11 CHAIRMAN GETZ: Anything on redirect,  
12 Ms. Pak?

13 MS. PAK: Yes, Commissioners.

14 **REDIRECT EXAMINATION**

15 BY MS. PAK:

16 Q. Ms. Janzen, when you were explaining the bid  
17 restriction during the cross-examination, when you --  
18 you had mentioned that "the lowest bid went to the  
19 Large Customer Group", and by "second highest bidder",  
20 did you actually mean "second lowest bidder bid" went  
21 to the other block, which would be the Small Customer  
22 Group?

23 A. Yes. That's what I meant. The "second lowest", thank  
24 you.

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[WITNESS: Janzen]

1 MS. PAK: Thank you. And, with regard  
2 to the Summary RFP -- or "Summary of Bids" for the RPS  
3 exhibit, may I clarify. The redacted version of that  
4 summary, if I could propose that it be identified or  
5 marked for identification as "Exhibit 8", and the  
6 confidential version of that RPS Bid Summary be marked for  
7 identification as "Exhibit 9"?

8 CHAIRMAN GETZ: Okay. That's so marked.  
9 (The documents, as described, were  
10 herewith marked as **Exhibit 8** and  
11 **Exhibit 9**, respectively, for  
12 identification.)

13 MS. PAK: Thank you.

14 CHAIRMAN GETZ: Is there anything --

15 CMSR. IGNATIUS: Before we wrap up, let  
16 me ask the question I had about confidentiality of  
17 Ms. Pak. If you look at your Pages 95 and 96 in  
18 Exhibit 7, the confidential terms are grayed out, in  
19 conformance with our interim rule. And, I was struck  
20 with, on Page 95, there are a couple of numbers that seem  
21 legitimately in need of protection, everything else on  
22 that page that's marked off didn't seem to me to be  
23 confidential. I'll make sure you have the page first,  
24 before I go on.

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[WITNESS: Janzen]

1 MS. PAK: Thank you. Are you referring  
2 to the text or the titles within the charts?

3 CMSR. IGNATIUS: The titles, really, the  
4 headings and the information within those, it seemed to  
5 me, of those two blocks, it was really only the last three  
6 numbers that were worthy of protection. And, it's not  
7 particularly interesting, but the other ones are, but  
8 they're not confidential terms?

9 MS. PAK: Right.

10 CMSR. IGNATIUS: And, then, if you go to  
11 the next page, that whole grayed out area, really, the  
12 whole half of the page, looks to me just to be definitions  
13 and identifying information, but nothing that is about  
14 pricing or load obligation numbers that I can see. And,  
15 I'm wondering why that, all of 96 that you've blocked off,  
16 needs to be protected?

17 MS. PAK: They were terms that we had  
18 previously thought required confidential treatment. But,  
19 as you pointed out, they do look like defined terms that  
20 could be part of the public record. If I could just  
21 confer with the Company to make sure that there isn't  
22 something I'm misstating?

23 CMSR. IGNATIUS: Please do. Thank you.

24 MS. PAK: Thank you.

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[WITNESS: Janzen]

1 (Atty. Pak conferring with Mr.  
2 Ruebenacker.)

3 MS. PAK: Thank you, Commissioners.  
4 After conferring with the Company, the reason for the  
5 redactions is based on Paragraph 9, on Bates stamp 98.  
6 The Company had negotiated with its suppliers to afford  
7 Articles 2, 3, 4, 5, and 8 of the Confirmation as  
8 confidential terms. And, that was initially the reason  
9 for our sort of wholesale redactions. But, to the extent  
10 the Commission believes we need to limit those redactions,  
11 I'm happy to do so.

12 CMSR. IGNATIUS: Well, that's helpful.  
13 I hadn't noticed that. And, to the extent there might be  
14 something in Section 4, Article 4 -- or 5, actually, 5, I  
15 guess, where there is some math being done and somebody  
16 could figure out something about your load obligation  
17 based on the numbers here, I can understand why it would  
18 need to be protected, and I'm not asking that it be made  
19 public.

20 My reading of it doesn't get me there,  
21 though. It looks more like it's really just pulled from  
22 statutes. So, maybe you can double check, make sure that  
23 there isn't something in there that's more interesting  
24 than it would appear?

{DE 11-016} {09-21-11}



[WITNESS: Janzen]

1 MS. PAK: Sure.

2 CMSR. IGNATIUS: And, if it really is  
3 just the restatement of the statutory obligations, have it  
4 removed from the "protected" category.

5 MS. PAK: Okay. I will.

6 CHAIRMAN GETZ: Ms. Hatfield?

7 MS. HATFIELD: Thank you, Mr. Chairman.  
8 There was something that Ms. Pak asked in redirect and the  
9 witness answered that confused me, and I was wondering if  
10 I could just follow up?

11 CHAIRMAN GETZ: So, this is unrelated to  
12 this confidentiality issue?

13 MS. HATFIELD: Yes, it is.

14 CHAIRMAN GETZ: Okay. All right.

15 **RECROSS-EXAMINATION**

16 BY MS. HATFIELD:

17 Q. I believe that Ms. Pak, when she asked the clarifying  
18 question about the bid restriction and how the Company  
19 made the determination to choose the lowest bidder, I  
20 believe she stated that "the lowest bid went to the  
21 Large Customer class". And, my understanding from the  
22 filing was that the lowest bid actually went to the  
23 Small Customer class. And, I was wondering if the  
24 witness could just clarify that?

{DE 11-016} {09-21-11}

[WITNESS: Janzen]

1 A. Yes. I'll clarify. The supplier that was being  
2 evaluated had submitted the lowest bid for both the  
3 largest and the small. And, when the Company evaluated  
4 what was the lowest overall cost, that lowest bidder  
5 was awarded the Small Customer Group, to be clear.  
6 That they were -- they submitted the lowest bid on  
7 both, but it was the Small Group, the Small Customer  
8 Group that they were awarded. And, the Large then went  
9 to the next lowest bidder. Sorry for the confusion.

10 MS. HATFIELD: Thank you very much?

11 CHAIRMAN GETZ: Is there anything  
12 further for Ms. Janzen?

13 (No verbal response)

14 CHAIRMAN GETZ: Hearing nothing, then  
15 you're excused. Thank you.

16 Anything further before opportunity for  
17 closings?

18 (No verbal response)

19 CHAIRMAN GETZ: Hearing nothing, then,  
20 Ms. Hatfield.

21 MS. HATFIELD: Thank you, Mr. Chairman.  
22 The OCA has no objection to the Company's filing. We  
23 appreciate the Company's work over the last few years to  
24 have public and confidential versions of their filing that

{DE 11-016} {09-21-11}

1 have the same pagination and the same layout, that's been  
2 extremely helpful to the very short time frame that we  
3 have to review the filings.

4 And, we appreciate Commissioner  
5 Ignatius's careful review of the Company's redactions,  
6 especially with respect to Pages 95 and 96 and 97 that  
7 were just discussed. And, we wouldn't object if the  
8 Company made those changes just going forward into the  
9 future. Thank you.

10 CHAIRMAN GETZ: Thank you. Ms. Amidon.

11 MS. AMIDON: Thank you. Staff has  
12 reviewed the filing and has determined that National Grid  
13 followed the solicitation and bid evaluation process  
14 approved by the Commission in Order Number 24,577 for  
15 Default Service supply for its Large and Small Customer  
16 Groups. And, we believe that the resulting rates are  
17 market-based. So, therefore, we recommend that the  
18 Commission approve the Petition.

19 And, we have no objection to the Motion  
20 for Confidential Treatment, in that it requests  
21 confidential treatment for information that the Commission  
22 has granted in the past in prior Default Service  
23 proceedings. However, we do appreciate the continuing  
24 vigilance and evaluation of whether such information is

1 entitled to confidential treatment.

2 CHAIRMAN GETZ: Thank you.

3 (Chairman Getz and Commissioner Ignatius  
4 conferring.)

5 CHAIRMAN GETZ: With respect to the  
6 redactions on -- is it Pages 95 and 96, I think redacting  
7 them going forward is sufficient. I don't think you need  
8 to make a correction for this filing.

9 And, with that, Ms. Pak.

10 MS. PAK: Thank you, Commissioners. As  
11 shown in the written testimony, as well as the Exhibits 6  
12 and 7, the Company demonstrated, going with Staff,  
13 Ms. Amidon, the Company demonstrated that it complied with  
14 the solicitation and competitive procurement process in  
15 accordance with the Commission's prior orders. Bids were  
16 widely distributed and evaluated based on the price, as  
17 well as qualitative factors. For this reason, the Company  
18 respectfully submits that the proposed Default Service  
19 rates are reasonable and just, and would request that the  
20 Commission approve the proposed rates and issue an order,  
21 if possible, by September 27th.

22 CHAIRMAN GETZ: Okay.

23 MS. PAK: Thank you.

24 CHAIRMAN GETZ: Thank you. Then, we'll

1 close the hearing and take the matter under advisement.

2 (Whereupon the hearing ended at 9:42  
3 a.m.)  
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