

October 17, 2014

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VIA HAND DELIVERY AND VIA EMAIL

Debra A. Howland, Executive Director & Secretary
New Hampshire Public Utilities Commission
21 South Fruit St., Suite 10
Concord, NH 03301-2429

Re: DE 11-250, Public Service Company of New Hampshire Investigation of Scrubber Costs and Cost Recovery

Dear Ms. Howland:

This morning, during the hearings in Docket DE 11-250, the Commission presided over a discussion regarding production of natural gas forecasts from PSNH, Northeast Utilities, and affiliate companies. After that discussion, Commissioner Honigberg asked that TransCanada provide a list of the remedies it was requesting. During this morning’s hearing, PSNH provided some limited information regarding what forecasts PSNH may have had, and what searches PSNH conducted for those forecasts. In light of that information, TransCanada has refined the remedies it believes are appropriate in these circumstances as described below.

PSNH has agreed to initiate a search for missing forecasting information, including but not limited to the Energy Ventures Analysis, Inc. (“EVA”) forecasts. The EVA forecasts are referenced in several relevant public documents, including:

- Hearing Exhibit 73, PSNH’s Least Cost Integrated Resource Plan (Sept. 30, 2007) at 160;
- Hearing Exhibit 37, Yankee Gas Services Biennial Forecast of Natural Gas Demand and Supply for 2009 through 2013 (March 2, 2009) at bates page 24; and
- Yankee Gas Services 2011-2015 Five Year Forecast of Loads and Resources (December 1, 2010) at bates page 6, attached as Exhibit A.

Lawrence A. Kelly
(Of Counsel)

Neil F. Castaldo
(Of Counsel)

Hearing Exhibit 73 at page 160 indicates that PSNH “contracts with a consultant [EVA] to *provide a quarterly long-term forecast of commodity market prices* which PSNH converts into forecasted energy prices.” Hearing Exhibit 73 (emphasis added). During the hearing, PSNH representatives indicated that PSNH itself held a subscription to EVA forecasts until 2010 or 2011.

Also during the hearing this morning, the Commission considered PSNH’s response to TC 03-06 (attached as Exhibit B), as well as the discovery requests at issue, which include but are not limited to Hearing Exhibits 27-16 (PSNH’s response to TC 02-SP01), 33 (TC 6-38) and 35 (TC 6-39).

From a substantive perspective, TransCanada requests the following :

- (1) PSNH is to produce all EVA forecasts – including all quarterly forecasts during the period of time the Commission has ruled to be relevant in this case (2005 through 2011);
- (2) PSNH is to produce all of its own market price forecasts as referenced in its Least Cost Integrated Resource Plan filing (“which PSNH converts into forecasted energy prices”);
- (3) PSNH is to produce all other forecasts that PSNH may have failed to produce but which were required under Order Number 25,445 (concerning TC 01-02), and Order Number 25,718 (concerning requests TC 06-38, 06-39, 06-208, and 06-209); and
- (4) If any responsive forecasts obtained from vendors or outside contractors were destroyed, PSNH should contact the relevant vendor (e.g., EVA) and obtain copies of the destroyed forecasts and produce them.

Given where we are in this case, process is also vital. TransCanada requests the following at this juncture with respect to the discovery issues:

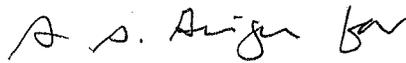
- (5) A full and clear description of each step PSNH took to respond to the data requests at issue, including the names and titles of all individuals involved in reviewing the data requests, gathering information to respond to the requests, providing answers to questions relating to the data requests, and developing responses to the data requests at issue. In addition, PSNH should provide a summary of each person’s involvement in development of discovery responses and/or the search for and production of relevant materials;
- (6) A full and clear description of the electronic document search that was conducted for forecasts held by PSNH, Northeast Utilities, and PSNH’s affiliates, and, if an electronic document search was not conducted, an explanation of why that did not occur;
- (7) Produce cop(ies) of any contract that PSNH, Northeast Utilities, or any PSNH affiliate held with EVA or any other vendor for energy forecasting information;
- (8) Produce a copy of any document retention policy that would apply to PSNH, Northeast Utilities, and any PSNH affiliate; and
- (9) If PSNH claims that the relevant documents were destroyed, a full and clear explanation of what documents were destroyed, who destroyed them, and when they were destroyed.

Ms. Debra A. Howland, Executive Director
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TransCanada reserves the right to request additional information, process and/or remedies regarding these issues.

Please do not hesitate to contact me should you have any questions or concerns.

Yours truly,

A handwritten signature in black ink, appearing to read "D. L. Patch".

Douglas L. Patch

cc: Docket Service List for DE 11-250
Client

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