

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
INVESTIGATION OF SCRUBBER COSTS AND COST RECOVERY
DOCKET NO. DE 11-250
DETERMINATION REGARDING PSNH'S GENERATION ASSETS
DOCKET NO. DE 14-238

OFFICE OF THE CONSUMER ADVOCATE
RESPONSE TO PSNH MOTION TO STAY PROCEEDINGS

NOW COMES the Office of the Consumer Advocate (OCA) and moves the New Hampshire Public Utilities Commission (PUC or Commission) to hold ratepayers harmless for any delay in the above-captioned cases resulting from Public Service Company of New Hampshire's (PSNH) Motion to Stay Proceedings by freezing the accumulation of carrying costs on unrecovered deferred scrubber costs until the requested stay is lifted or in the alternative, deny the requested stay. In support of this Motion the OCA states:

1. On December 26, 2014 PSNH filed a Motion to Stay Proceedings in Commission dockets DE 11-250 *Investigation of Scrubber Costs and Cost Recovery* (Scrubber Case) and DE 14-238 *Determination Regarding PSNH'S Generation Assets* (Divestiture Docket.)
2. If a stay is granted, the Commission should hold ratepayers harmless for the delay. To hold ratepayers harmless, the Commission should freeze the accumulation of carrying costs, which PSNH estimated to be over \$100,000,000 by the end of 2014. Scrubber Case, Exh. 14 Chung Rebuttal at p 4 ("The amount of prior unrecovered deferred

scrubber costs has grown substantially since December 31, 2012. The Company currently projects deferred scrubber costs to be approximately \$104.76 million at December 31, 2014.”). As PSNH’s request to negotiate comes after several years of adjudication and discussion have already taken place, the costs of any additional delay must be borne entirely by the Company.

3. Approximately 3 years ago, the Commission issued an Order of Notice opening the Scrubber Case on December 1, 2011. At all times PSNH has had the opportunity to work collaboratively with Commission staff, the legislature and the parties to resolve this proceeding. In the absence of such discussions, the Commission completed seven days of adjudicatory hearings in the Scrubber Case this past October, 2014. The Commission decision is pending.
4. Approximately 3 months ago, the Commission issued an Order of Notice opening the Divestiture Docket after legislation passed directing the PUC to do so. Divestiture Docket (September 16, 2014). The Commission directed parties to file initial briefs on the scope of the adjudicatory proceeding by December 5, 2014. Secretary Letter (October 30, 2014). The Commission will review reply briefs due on January 7, 2015 before issuing an initial decision on the scope of the proceeding.
5. PSNH identifies no legal reason that compels the Commission to stay these proceedings. There are no facts or issues to be developed elsewhere that would assist the Commission in its determinations in either docket. See *Electric And Telephone Utilities*, 2013 WL 209127 N.H.P.U.C. 2013 (January 03, 2013)(Where the PUC granted a requested stay, as the PUC was “...persuaded that developing a record in [another proceeding] will lead to a more efficient and productive process in this

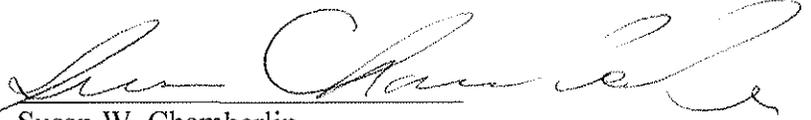
docket.”) Here, the Scrubber Case is nearly completed and the Divestiture Docket has barely started – a stay is not needed to develop the factual record.

6. PSNH can demonstrate its good faith by holding ratepayers harmless for this requested stay. PSNH can accept without appeal a Commission imposed condition of freezing the accumulation of carrying costs during the length of the stay. In this way ratepayers can be assured that PSNH is not seeking delay simply to improve its own position, but is offering to negotiate a resolution in the best interests of residential ratepayers, as well as its own shareholders and other interested parties.
7. Alternatively, legislators, PSNH and other interested parties may continue to seek collaborative resolution to the “myriad of issues under consideration in these dockets,” at the same time that the Commission undertakes its regulatory responsibilities to complete the dockets.

WHEREFORE, the OCA respectfully requests this honorable Commission:

- A. Hold ratepayers harmless by freezing the accumulation of carrying costs on the deferred scrubber cost recovery for the length of any granted stay;
- B. In the alternative, deny the stay and allow legislators, PSNH and other interested parties to negotiate in good faith at the same time the regulatory process is moving forward; and
- C. Grant any other such relief as the Commission deems appropriate.

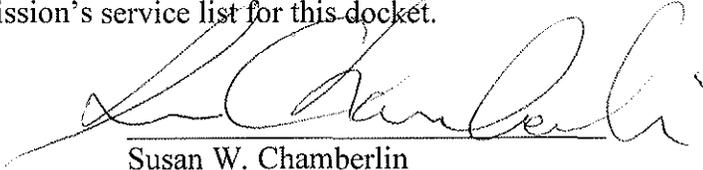
Respectfully submitted,



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Certificate of Service

I hereby certify that a copy of this Response was provided via electronic mail to the individuals included on the Commission's service list for this docket.



Susan W. Chamberlin