

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

October 24, 2012 - 10:11 a.m.  
Concord, New Hampshire

NHPUC NOV05'12 PM 2:49

RE: DE 12-291  
PUBLIC SERVICE OF NEW HAMPSHIRE:  
*2013 Stranded Cost Recovery Charge  
Adjustment.*  
(Prehearing conference)

PRESENT: Chairman Amy L. Ignatius, Presiding  
Commissioner Robert R. Scott  
Commissioner Michael D. Harrington  
  
Sandy Deno, Clerk

APPEARANCES: Reptg. Public Service of New Hampshire:  
Matthew J. Fossum, Esq.

Reptg. Residential Ratepayers:  
Susan W. Chamberlin, Esq., Consumer Advocate  
Stephen Eckberg  
Office of Consumer Advocate

Reptg. PUC Staff:  
Suzanne G. Amidon, Esq.  
Steven E. Mullen, Asst. Dir./Electric Div.

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

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**STATEMENTS OF PRELIMINARY POSITION BY:**

Mr. Fossum	5
Ms. Chamberlin	6
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**P R O C E E D I N G**

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2 CHAIRMAN IGNATIUS: I'd like to open the  
3 hearing in Docket DE 12-291. We're doing two  
4 back-to-back, and I think that's the order we're going in,  
5 is that correct, the Stranded Cost case first?

6 MR. HALL: Yes.

7 CHAIRMAN IGNATIUS: We have, as I say,  
8 two prehearing conferences to kick off dockets this  
9 morning that are somewhat related. 12-291 is Public  
10 Service Company of New Hampshire's 2013 Stranded Cost  
11 Recovery Charge. The Company filed, on September 28,  
12 2012, a petition to set the Stranded Cost Recovery Charge  
13 for effect with service rendered on and after January 1,  
14 2013. The SCRC is set on a forecasted basis every six  
15 months, and includes, at this point, any over or under  
16 recoveries of Part 1 and Part 2 stranded costs from the  
17 previous period. Part 3 has been fully recovered.

18 By notice dated October 9th, we issued  
19 -- called for a prehearing conference to be held this  
20 morning, followed by the second prehearing conference, and  
21 then a joint technical session to address both dockets at  
22 once.

23 So, let's begin with appearances please.

24 MR. FOSSUM: Good morning, Commissioner.

1 My name is Matthew Fossum, on behalf of Public Service  
2 Company of New Hampshire.

3 CHAIRMAN IGNATIUS: Good morning.

4 MS. CHAMBERLIN: Good morning. Susan  
5 Chamberlin, Consumer Advocate, and with me today is  
6 Stephen Eckberg.

7 CHAIRMAN IGNATIUS: Good morning.

8 MS. AMIDON: Good morning. Suzanne  
9 Amidon, for Commission Staff, and with me is Steve Mullen,  
10 who is the Assistant Director of the Electric Division.

11 CHAIRMAN IGNATIUS: Good morning.  
12 Welcome, everyone. Do we have publication of the notice?  
13 Affidavit is received? Good. Thank you very much. And,  
14 I saw no request for intervention in the file. Is there  
15 anyone here who is seeking intervention?

16 (No verbal response)

17 CHAIRMAN IGNATIUS: It doesn't appear.  
18 We have notice from the OCA that they will be  
19 participating. Are there any other just sort of paperwork  
20 procedural things to pick up before we take positions?

21 MR. FOSSUM: I do have one question. Is  
22 this to be a prehearing conference just on the SCRC first,  
23 and then we'll have sort of a separate session in a few  
24 minutes on the other one?

1 CHAIRMAN IGNATIUS: Yes.

2 MR. FOSSUM: Okay.

3 CHAIRMAN IGNATIUS: Yes. Just in case  
4 there is someone who is seeking to intervene in the Energy  
5 Service docket and not in this one.

6 MR. FOSSUM: That's fine.

7 CHAIRMAN IGNATIUS: All right. Then,  
8 why don't we have a presentation of preliminary issues,  
9 and any matters that we should be aware of as the docket  
10 begins that may be out of the ordinary. Mr. Fossum.

11 MR. FOSSUM: Well, to the best of my  
12 knowledge, and in response to the question that you just  
13 posed, no, there is nothing out of the ordinary about this  
14 filing for the stranded cost recovery. Consistent with  
15 prior filings, PSNH has submitted proposed changes to the  
16 Stranded Cost Recovery Charge, as outlined in the filing,  
17 for effect on January 1st, 2013. Rates are calculated as  
18 demonstrated -- or, the proposed rates calculated is  
19 demonstrated in the filing and consistent with prior  
20 filings, and will be -- and, it's the Company's intent to  
21 update that filing closer to the date of the hearing, as  
22 has been the standard practice.

23 Just to highlight the two issues that  
24 are in the stranded cost filing, as to the amount of the

1 rate, as demonstrated in Mr. Baumann's testimony, in the  
2 Company's filing, the rate will be -- is proposed to  
3 decrease due to the expected amortization of Rate  
4 Reduction Bonds in early 2013, as well as projections  
5 having to do with market prices over over-market costs for  
6 independent power purchase agreements.

7 With that, the Company will work with  
8 the Staff and the OCA with these filings, and will pursue  
9 them in the manner that they have been pursued consistent  
10 with past practice. Thank you.

11 CHAIRMAN IGNATIUS: Thank you.

12 Ms. Chamberlin.

13 MS. CHAMBERLIN: We have nothing  
14 specific in response to the filing as PSNH presented it.  
15 Overall, there's a series of interrelated dockets. And,  
16 the Consumer Advocate is looking to reinforce the  
17 principles of RSA 374-F:3 regarding customer choice. So,  
18 whatever options we have in each docket to promote that  
19 for residential ratepayers, that's what we will be doing.

20 CHAIRMAN IGNATIUS: All right. Ms.  
21 Amidon.

22 MS. AMIDON: Thank you. Staff has no  
23 position on the docket at present. We do plan to conduct  
24 discovery beginning with the technical session that will

1 follow the prehearing conference. I believe there is a  
2 joint technical session. So, we'll commence discovery at  
3 that point. We also have a proposed procedural schedule  
4 to discuss with the Company and with the OCA with a  
5 proposed hearing date of December 18th for this proceeding  
6 and for the Energy Service proceeding as well. So, we  
7 will report back to the Commission following the  
8 prehearing conference with our recommendations.

9 CHAIRMAN IGNATIUS: All right. Thank  
10 you. Any questions from the Commissioners?

11 (No verbal response)

12 CHAIRMAN IGNATIUS: All right. Then, we  
13 will take this under advisement. We, obviously, await the  
14 results of the discussions on a procedural schedule, and  
15 any other scoping issues or matters that come up in the  
16 technical session.

17 And, we'll adjourn this proceeding,  
18 reconvene at 10:30 with the Energy Service prehearing  
19 conference.

20 **(Whereupon the prehearing conference**  
21 **ended at 10:18 a.m.)**