

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

June 23, 2015 - 10:10 a.m.
Concord, New Hampshire

NHPUC JUL09'15 AM 8:31

RE: DE 15-147
UNITIL ENERGY SYSTEMS, INC.:
2013 and 2014 Displaced Distribution
Revenue due to Net Metering Generation.
(Prehearing conference)

PRESENT: David K. Wiesner, Esq.
(Presiding as Hearings Examiner)

Sandy Deno, Clerk

APPEARANCES: Reptg. Unitil Energy Systems, Inc.:
Gary Epler, Esq.

Reptg. Residential Ratepayers:

Wayne Jortner, Esq.
Pradip Chattopadhyay, Asst. Consumer Advocate
Office of Consumer Advocate

Reptg. PUC Staff:

Suzanne G. Amidon, Esq.
Michael J. Sheehan, Esq.
Liz Nixon, Sustainable Energy Division
Grant Siwinski, Electric Division

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

ORIGINAL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

I N D E X

PAGE NO.

STATEMENTS OF PRELIMINARY POSITION BY:

Mr. Epler 4

Mr. Jortner 5

Ms. Amidon 6

P R O C E E D I N G

1
2 MR. WIESNER: Good morning. I'm
3 Attorney David Wiesner. I'm one of the hearings examiners
4 here at the Commission, and I will serve as the Presiding
5 Officer at today's prehearing conference. This is Docket
6 DE 15-147, Unutil Energy Systems' proposal to recover
7 displaced revenue due to net metering generation through
8 its External Delivery Charge rate. I understand the
9 proposal will be that this displaced revenue will be
10 recovered through the EDC rate to be -- to cover service
11 rendered on and after August 1st.

12 The UES filing was made pursuant to the
13 Commission Rule Puc 903.02, Subparagraph (o). On
14 June 4th, an Order of Notice was issued by the Commission.
15 The Order of Notice was published on June 8th in the
16 Union Leader, and an affidavit of publication I believe
17 was filed with the Commission on June 17th.

18 I'm not aware of any pending motions or
19 petitions to intervene. So, I believe we'll just proceed
20 to accept appearances from the Parties. Mr. Epler.

21 MR. EPLER: Good morning. Gary Epler,
22 appearing on behalf of Unutil Energy Systems, Inc. And,
23 with me is Douglas Debski, who is a Senior Analyst in our
24 Regulatory Department.

1 MR. WIESNER: Thank you. Good morning.

2 MR. DEBSKI: Good morning.

3 MR. JORTNER: Good morning. I'm Wayne
4 Jortner with the Office of Consumer Advocate. And, with
5 me is Pradip Chattopadhyay, who is our economist.

6 MR. WIESNER: Good morning.

7 MS. AMIDON: Good morning. Suzanne
8 Amidon, for Commission Staff. With me today is Liz Nixon
9 with the Sustainable Energy Division. And, I have Grant
10 Siwinski with the Electric Division. And, in the back of
11 the room, you'll see Mike Sheehan, my colleague in the
12 Legal Division.

13 MR. WIESNER: Thank you. If there are
14 no other matters that we need to engage in as a
15 preliminary to proceeding, I would ask that the Parties
16 offer initial positions of their -- statements of their
17 position, excuse me. Mr. Epler, would you care to go
18 first, on behalf of the Company?

19 MR. EPLER: Certainly. Thank you. As
20 the Commission is aware, in our last reconciliation filing
21 of last year, the Company first proposed a mechanism to
22 recover lost revenues through its application of net
23 metering. And, at the time, the proposal was filed as
24 part of the Company's reconciliation filing. And, it was

1 clear at the hearing that the parties, interested parties,
2 the Staff and the Consumer Advocate, had not had a
3 sufficient opportunity to review the proposal. And, while
4 it was not necessarily opposition to it, there was concern
5 about it, and additional time was desired to review it and
6 consider it. So, the Company withdrew it without
7 prejudice -- moved to withdraw it without prejudice, the
8 Commission accepted that withdrawal. And, we then
9 subsequently filed it and it was docketed as this case.

10 The proposal is more or less similar to
11 the proposal that was submitted last year. There were
12 some minor modifications to it that we've made, and have
13 explained in some discovery responses we provided.

14 And, so, we're interested in attending
15 the technical session today and working with the Staff and
16 the Consumer Advocate to review the proposal and see if we
17 can get it in place for August.

18 MR. WIESNER: Thank you. Mr. Jortner,
19 does OCA have a statement of opening position?

20 MR. JORTNER: Thank you. I'm sorry to
21 say, we don't have a firm position at this point. You
22 know, I know we have a technical session after this
23 prehearing conference, and that will be one step toward
24 understanding better exactly the Company's methodology, as

1 well as the underlying rationale of the rule and exactly
2 what costs should be recovered under this rule. So, we
3 don't have a firm position now. We reserve the right to
4 oppose the Company's request.

5 And, I would just also note that we're
6 probably at the beginning of what could be a period of
7 time where this will become a very important issue in the
8 state, because, obviously, there will be a lot more net
9 metering situations, a lot more solar and solar energy
10 installations. So, this could be a rather important
11 precedent-setting proceeding. And, we want to be very
12 careful that we make sure the Company is only collecting
13 what the rule says it's entitled to.

14 I think the rule is subject to more than
15 one interpretation. So, that's another reason we're
16 reserving our right to take a position opposing the
17 Company's petition later in this proceeding. Thank you.

18 MR. WIESNER: Thank you. Ms. Amidon.

19 MS. AMIDON: Thank you. Both the
20 statute, I believe it's RSA 362, and someone can correct
21 me if I'm wrong, and the rule allows for any electric
22 utility to request the displaced revenue as a result of
23 net metering. And, the rule, I think, also provides that
24 it would be on a case-by-case basis. So, the object here

1 would be to review the impacts of net metering on the
2 Company, and to discern the appropriate methodology for
3 compensating the Company for that displaced revenue.

4 The Staff has issued one set of
5 discovery, and we got those responses yesterday. So, at
6 the technical session following this prehearing
7 conference, we intend to explore that discovery a little
8 bit more, and probably will have additional questions.
9 And, at that point, we'll discuss further procedural
10 issues, how we should proceed, and we'll be filing a
11 report of that tech session with the Commission.

12 MR. WIESNER: Thank you. Are there any
13 other preliminary matters we should attend to this
14 morning?

15 (No verbal response)

16 MR. WIESNER: Well, hearing none and
17 seeing none, I will file a Hearings Examiner's report
18 summarizing the results of the prehearing conference. I
19 wish the Parties good luck in the technical session.

20 And, with that, I'll close the record of
21 the prehearing conference. Thank you all.

22 ***(Whereupon the prehearing conference was***
23 ***adjourned at 10:16 a.m., and a technical***
24 ***session was held thereafter.)***