

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

15-296  
April 12, 2019 - 10:11 a.m.  
Concord, New Hampshire

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RE: IR 15-296  
ELECTRIC DISTRIBUTION UTILITIES:  
Investigation into Grid Modernization.  
(Public hearing to receive comments)

PRESENT: Chairman Martin P. Honigberg, Presiding  
Commissioner Kathryn M. Bailey  
Commissioner Michael S. Giaimo

Sandy Deno, Clerk

APPEARANCES: (No appearances taken)

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

CERTIFIED  
ORIGINAL TRANSCRIPT

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**P R O C E E D I N G**

1  
2 CHAIRMAN HONIGBERG: We are here this  
3 morning in Docket IR 15-296, which is the  
4 investigation into grid modernization. This  
5 was styled as a "hearing". I would like it to  
6 be more of a conversation today. We are unable  
7 to interact with stakeholders in circumstances  
8 where we can have conversations without  
9 everybody else present. So, everybody else is  
10 present, so we'd like this to be more of a  
11 conversation today, which may be awkward in  
12 some ways. But we're all going to do our best.

13 I want to thank the folks who  
14 submitted written comments. We weren't sure we  
15 were going to hold this event, because we  
16 viewed it as an opportunity for us to get our  
17 questions answered about your comments. So,  
18 this is not -- our expectation is not that  
19 people will be making new, fully formed  
20 statements or supplementing their comments.

21 However, if there's something you  
22 read from someone else or you hear today that  
23 causes you to rethink something that was in  
24 your comments, please, we'd like to hear that.

1           You'll note that we didn't do the  
2           Public Comment Hearing Sign-In Form, you know,  
3           who wants to speak. That's consistent with  
4           what I just said, is that we're not opening the  
5           floor to have you speak one at a time and do  
6           this today. You're going to raise your hand if  
7           you want to speak or indicate that you want to  
8           speak. We'll try and recognize you in an  
9           orderly fashion, in part, for Mr. Patnaude, so  
10          he knows who's speaking and who's about to  
11          speak.

12                 We sent out a letter, which I hope  
13          all of you have read. This is by no means the  
14          universe of questions that need to be resolved  
15          for this. It was an attempt to put a little  
16          bit of structure to the beginning of what we're  
17          going to do, and not necessarily take them in  
18          order. I will tell you up front that I'm going  
19          to open this to ask folks to address Item --  
20          Question Number 4 first.

21                 So, one of the things I want to do  
22          first is see if there are people here who want  
23          to be participating in this who didn't file  
24          written comments. Is there anyone here like

1           that?

2                       Please identify yourself sir.

3                       MR. SKOGLUND:  Chris Skoglund of New  
4           Hampshire DES.

5                       CHAIRMAN HONIGBERG:  Okay.  Anyone  
6           else?

7                               *[No verbal response.]*

8                       CHAIRMAN HONIGBERG:  All right.  
9           Well, Mr. Skoglund, as appropriate, if you want  
10          to participate, we'll see what it is you want  
11          to do and how that will work.

12                       So, with all that throat-clearing out  
13          of the way, I want to start with, as I said,  
14          with Question 4, about the interaction between  
15          the proposed IDPs and the LCIRP statutory  
16          requirements.

17                       I know how Staff outlined it in the  
18          report.  A lot of people made comments about  
19          it.  And we have at least one request pending  
20          from one of the utilities to delay the filing  
21          of their LCIRP.

22                       So, I'm interested in people's  
23          positions, not really positions, but thoughts  
24          on how the IDP, if that's something that

1 becomes a thing, should work with the LCIRP.  
2 Inside the LCIRP process, in parallel to,  
3 separate from? Who would like to speak first?

4 Sir.

5 MR. SPRAGUE: This is on?

6 CHAIRMAN HONIGBERG: Yes.

7 MR. SPRAGUE: I'm Kevin Sprague, Vice  
8 President of Engineering for Unitil.

9 From our standpoint, the LCIRP  
10 process relies heavily on distribution  
11 planning. That's the basis for that process.  
12 Staff's proposed IDP process is very similar,  
13 but more in depth, I'll call it, than the  
14 LCIRP. So, my take would be that the LCIRP  
15 process gets replaced with the IDP, because I  
16 don't see any new or different information in  
17 the LCIRP than would be presented in the IDP.

18 CHAIRMAN HONIGBERG: Thank you.

19 Others have thoughts on this?

20 Yes. I can see a hand, but I can't  
21 see a face. Yes, Ms. Tebbetts.

22 MS. TEBBETTS: Yes. Heather  
23 Tebbetts, with Liberty Utilities.

24 We agree with what Unitil just

1 mentioned. And our IR -- Least Cost Plan will  
2 be due this year, and we will be providing  
3 something to the Commission to address that  
4 request for a waiver, where we also believe  
5 that the future IDP will address the concerns  
6 within the statute for the IRP. So, we will BE  
7 presenting that to you.

8 CHAIRMAN HONIGBERG: So, for the  
9 utilities, if the IDP replaces the LCIRP, the  
10 IDP contemplates cost recovery approval  
11 essentially up front as part of that IDP  
12 process. That seems to me to have a problem  
13 under the statute. The LCIRP statute is quite  
14 clear that it prohibits us from making prudency  
15 determinations as part of the LCIRP process.

16 How do we reconcile that? Or do we  
17 need to reconcile that or do we need to get a  
18 statutory amendment to facilitate that, if  
19 that's how this should go going forward?

20 Mr. Sheehan.

21 MR. SHEEHAN: Thank you. As of now,  
22 the IRP statute exists. So, we have to comply  
23 with it until that's changed. We are going to  
24 ask for an extension.

1           So, the way I see it is, if we are  
2           working on an IDP that contains all of the  
3           elements of an IRP, are sort of on parallel  
4           tracks, the IDP would, in effect, be filed as  
5           the LCIRP, maybe with some sections removed  
6           regarding cost recovery or the like, and at the  
7           same time we file our IDP.

8           So, the primary goal, from our  
9           perspective, I think the utilities share, is  
10          not to double up on the work. To prepare an  
11          IRP that, in effect, will be superseded and  
12          improved upon with an IDP. So, again, we draft  
13          an IDP next spring, we file it, to comply with  
14          the IRP statute, at the same time we're filing  
15          the IDP to accomplish its goals.

16                 CHAIRMAN HONIGBERG: Thank you.  
17          Mr. Sheehan alluded to something that is a  
18          concern that I have, and I suspect many of you  
19          have, having to do with doubling up on work.  
20          Because the potential appears to be there for  
21          things to have to be done multiple times, if  
22          we're not careful with how this is set up.

23                 Mr. Kreis, you look like you wanted  
24          to say something. Did I misread the body

1 language or are you --

2 MR. KREIS: No, you did not. I'm  
3 just always a little hesitant to leap in,  
4 because once I leap in, it's hard to leap out.

5 But, in any event, I think that the  
6 utilities -- first of all, the OCA supports the  
7 concept of not forcing the utilities to double  
8 up work. It's really tripling up work, because  
9 I think the utilities have their own internal  
10 planning and a sort of business strategizing  
11 processes. And then there's their process that  
12 they use to develop their least cost integrated  
13 resource plans. And then there's also this  
14 process that they contemplate to develop a grid  
15 modernization plan.

16 And I think that, if managed  
17 carefully, the integrated distribution planning  
18 process really can become, if not all of the  
19 least cost integrated resource planning  
20 process, most of it. And I think that the IDP  
21 concept can nest within the LCIRP statute.

22 But the Commission has to be careful.  
23 There is a provision in Section 38-a that  
24 allows the Commission to waive specific

1 components of the LCIRP requirements that are  
2 enumerated in Section 38 of the statute. But I  
3 don't think you can just give the utilities a  
4 free pass to skip their homework assignment. I  
5 think they, you know, and so this goes to these  
6 "waiver requests". I think they're  
7 inappropriate. Because they presume that the  
8 process that we're embarked on in this docket  
9 will result and assumes the conclusion that  
10 this integrated distribution planning process  
11 will become kind of a substitute for the  
12 LCIRPs. I can't assume that.

13 And it's telling that the two  
14 companies that have now just told you that they  
15 would like outright waivers of the LCIRP filing  
16 requirements to which they're otherwise  
17 subject, are the two companies that have told  
18 us they're about to file rate cases. That does  
19 not seem cricket from a ratepayer standpoint.

20 CHAIRMAN HONIGBERG: Okay. So,  
21 separate and apart from the merits of the  
22 requests, I mean, I think that statute is  
23 worded more broadly than you may be giving it  
24 credit for.



1 we're feverishly flipping through the books,  
2 can Ms. Fabrizio or Ms. Amidon locate the cite  
3 quickly for the phrase about "prudence", I  
4 think it may be "imprudence"?

5 MS. AMIDON: I believe that that part  
6 of the statute, and maybe someone here can help  
7 me, indicates that the companies have to have a  
8 plan on file before, when they come to the  
9 Commission to ask for a rate case.

10 And I would look to Mr. Fossum. Can  
11 you -- am I right or wrong?

12 MR. FOSSUM: Well, if --

13 CHAIRMAN HONIGBERG: You could object  
14 there, Mr. Fossum, even with the microphone.

15 MR. FOSSUM: Yes. I mean, well,  
16 there is that section in the statute. And we,  
17 that is Eversource, make reference to that in  
18 the motion that we have already filed, and  
19 which may or may not be subject to objection.

20 However, I suspect that perhaps the  
21 section you're looking at is in 378:39, where  
22 it states "The Commission's approval of a  
23 utility's plan shall not be deemed a  
24 pre-approval of any actions taken or proposed

1 by the utility in implementing that plan."

2 I suspect that's what you're  
3 referring to.

4 CHAIRMAN HONIGBERG: That is what I'm  
5 referring to. Thank you, Mr. Fossum.

6 MR. FOSSUM: So, I guess -- I have a  
7 thought on that. But, as it's Mr. Epler's  
8 query, I'll allow him to follow up.

9 CHAIRMAN HONIGBERG: No, I expect  
10 Mr. Epler was going to make the fairly obvious  
11 observation that they have got their prior one  
12 approved, and that should be good enough to  
13 make sure that they get -- that they can change  
14 their rates, and you could change your rates,  
15 and Liberty could change its rates, because its  
16 last filed one is approved, and you're in  
17 compliance if you get a waiver going forward  
18 with a new one.

19 I expect that would be the gist of  
20 his argument. Right, Mr. Epler?

21 MR. EPLER: Yes.

22 MR. FOSSUM: And indeed, that's the  
23 argument that we -- that is at least one of the  
24 arguments that's in our motion.

1                   CHAIRMAN HONIGBERG: But you've  
2                   identified the language that I'm concerned  
3                   about that I think creates an issue for cost  
4                   recovery within the IDP process, if it's made  
5                   part of the LCIRP.

6                   Is that something you wanted to  
7                   address or were you going to make a new point?

8                   MR. FOSSUM: Well, I hadn't -- I  
9                   hadn't come prepared to address that  
10                  specifically. But just looking at it now, I'm  
11                  not certain that it sort of creates the barrier  
12                  that it may appear. To the extent that it --  
13                  that approval of a plan that might be filed  
14                  pursuant to this statute, in its present form  
15                  or some future form, to the extent that that  
16                  approval of that is not to count as  
17                  "pre-approval of the actions", I don't see why  
18                  that's a barrier to cost recovery necessarily.  
19                  Ultimately, the utility would come in in some  
20                  way or other and demonstrate that whatever  
21                  actions it did take were prudent and that cost  
22                  recovery is appropriate.

23                  So, I guess I'm not -- I would agree  
24                  that, at least on its face, it is not saying

1 "Utility, you're free to go do whatever you  
2 choose, and we'll make sure you get paid for  
3 it." I think what it's trying to say is, "We  
4 approve how you want to do things. We approve  
5 the approach that you're taking to do things.  
6 But, ultimately, if you want to get cost  
7 recovery for the investments you make, you're  
8 going to have to demonstrate that down the  
9 line." Which is consistent with how we do  
10 things today, and I don't see why that would  
11 change --

12 CHAIRMAN HONIGBERG: Well, it's --

13 MR. FOSSUM: -- with an IDP.

14 CHAIRMAN HONIGBERG: Sorry to  
15 interrupt. It is a very close parallel to a  
16 process that exists with some of the water  
17 companies. I'm not going to remember either of  
18 the acronyms -- what the acronyms stand for,  
19 but WICA is one, W-I-C-A, and QCPAC, Q-C-P-A-C,  
20 is the other. But they describe similar  
21 processes that are very, very close to what  
22 you've just described. Where, in year one, the  
23 company -- the company files something every  
24 year that has a three-year lookout. The first

1 year is describing what's already happened and  
2 seeking recovery for what's been done. For the  
3 second year, it's a description of projects,  
4 with a budget associated with those projects.  
5 And the third year is a notice that says  
6 "Here's what we're looking at two years out."  
7 We just accept the filing for two years out.

8 We look at the second year in the way  
9 you just described, Mr. Fossum, saying "well,  
10 that looks like a sensible group of things for  
11 you to do, and the budget you've outlined for  
12 it looks appropriate. Go ahead." But it's  
13 that description of what has already happened  
14 that requires a prudence determination to  
15 include them in rates.

16 That's a concept that's consistent  
17 with the kinds of mechanisms that I think the  
18 IDP is talking about. Maybe that can be worked  
19 within the LCIRP statute, I don't know.

20 MR. FOSSUM: I personally don't see  
21 them as being in conflict.

22 CHAIRMAN HONIGBERG: Any other  
23 thoughts on this topic?

24 Mr. Epler.

1 MR. EPLER: Well, I mean, I think the  
2 statutes give you a fair amount of discretion,  
3 and the possible capacity to really create a  
4 route through them. Because, if you waive the  
5 requirement of the LCIRP, then you don't have  
6 to worry about the approval of the -- the  
7 language in 378:39, because you're not talking  
8 about approval of a 378:39 plan.

9 So, you're -- and then, if you look  
10 at 378:40, it allows changes while a plan is  
11 being reviewed. So, I think there's a route  
12 through these. And I -- and you can also -- I  
13 think you've got some discretion and concepts  
14 between, you know, what kind of approvals you  
15 would be giving going forward, and what kind of  
16 approvals would be subsequent to, you know, in  
17 terms of -- I mean, you can separate concepts  
18 of "prudence" and "used and usefulness". So,  
19 you can approve a plan, but then the  
20 implementation gets reviewed at a later point,  
21 and the specific cost recovery could be  
22 reconciled.

23 I mean, I think there are a lot of  
24 tools in your toolbox that you've used in other

1 cases that would allow you to create a route  
2 through this.

3 CHAIRMAN HONIGBERG: Mr. Kreis.

4 MR. KREIS: At the risk of belaboring  
5 a point that I have already made, and one that  
6 you suggested, Mr. Chairman, that you might NOT  
7 entirely agree with, I think, if the  
8 Legislature had intended the Commission to be  
9 able to issue wholesale waivers of the LCIRP  
10 filing requirement, it could have said that  
11 very straightforwardly. That is not what it  
12 said in Section 38-a. It said that "on written  
13 request of a utility, for good cause, the  
14 Commission may waive any of the -- any  
15 requirement under RSA 378:38."

16 You know, the Commission could use  
17 that language to justify a wholesale waiver.  
18 But that raises a high degree of risk that  
19 there would be appellate litigation that would  
20 require the New Hampshire Supreme Court to  
21 determine that there's a difference between a  
22 wholesale waiver and waiving a -- one or more  
23 requirements that are enumerated in Section 38.

24 CHAIRMAN HONIGBERG: Oh, I think I

1 agree with you. I think there would be  
2 litigation over that. I think it would be a  
3 very interesting question about how broad the  
4 "requirement" word is in that waiver language.  
5 I think it would be -- I mean, I won't, again,  
6 this is just speaking for myself, not be  
7 interested in extended, long-term waivers of  
8 compliance with the LCIRP statute.

9 In a context, however, where there's  
10 another process going on, that is intended to,  
11 in some ways, replace or supplement or make the  
12 LCIRP process more meaningful, if it made sense  
13 to delay and waive for a period of time the  
14 two-year provision, which appears to be a  
15 "requirement" in the section referred to,  
16 doesn't seem illogical to me.

17 But you and I don't have to debate  
18 the legalities. It's an issue. I think we  
19 would agree, it is an issue. And I think the  
20 utilities recognize it as an issue. They have  
21 an argument as to why it's appropriate; I  
22 understand that argument. You have an argument  
23 as to why it's not appropriate; I understand  
24 that argument as well.

1           Okay. Let's talk about something  
2 else. Well, the first three questions talk  
3 about the types of issues that haven't been  
4 resolved, and weren't -- there was no consensus  
5 out of the working group process -- I'm sorry,  
6 out of the -- out of the pre-process that went  
7 on before the Staff filed its recommendation.

8           Are there issues outstanding in this  
9 that everyone agrees must be adjudicated now?  
10 That's, I guess, Question 2, in a way.

11           And I know your answer, Mr. Kreis. I  
12 mean, I think you've got -- you would say "all  
13 of them need to be the subject of a litigated  
14 matter now." Oh, I'm overruled. Mr. Kreis,  
15 please proceed.

16           MR. KREIS: Thank you. Just the  
17 important issues need to be adjudicated now. I  
18 mean, there are policy questions that,  
19 obviously, the Commission can confront in an  
20 informal fashion.

21           If I might, I would like to read from  
22 the Gospel according to Epler. Which is to  
23 say, a filing that my colleague, Gary Epler,  
24 made in a different docket on April 8th. I'm

1 talking about Docket 18-038. And Mr. Epler  
2 wrote to you: "The Commission's procedural  
3 rules provide for only two types of  
4 proceedings: Adjudicative proceedings and  
5 rulemaking proceedings. The New Hampshire  
6 Supreme Court has emphasized that the  
7 Commission's unique quasi-judicial role in  
8 public utility regulation requires that the  
9 mandates of due process be complied with  
10 meticulously."

11 And then he goes on to cite a 1982  
12 decision of the New Hampshire Supreme Court  
13 called "*Appeal of Public Service Company of New*  
14 *Hampshire*", which is basically the title of  
15 every important utility-related decision of  
16 that court. But, in that 1982 case, the court  
17 emphasized "If private rights are affected by  
18 the board's decision", in this case the  
19 Commission's decision, "the decision is a  
20 judicial one."

21 And so, every time you make a  
22 decision in this docket that has this binding  
23 effect, that really affects the rights and  
24 privileges of parties that are here, I think

1 the Commission needs to adjudicate it. So,  
2 there are some questions that you don't have  
3 to, but I think the important ones do need to  
4 be adjudicated.

5 CMSR. BAILEY: Could I? Mr. Kreis,  
6 I'm not understanding your issue. If there --  
7 there are issues that have to be addressed in  
8 order for the utilities to file the portion of  
9 their IDP that is the grid mod. plan, agree?

10 MR. KREIS: Yes.

11 CMSR. BAILEY: And I think the Staff  
12 has proposed one way to deal with those issues.  
13 I don't think that there's any expectation  
14 that, if the working groups didn't come to an  
15 agreement on how the issue should be resolved,  
16 that we wouldn't adjudicate it. I think we  
17 would. And if the working group did come to an  
18 agreement, then everybody would be in  
19 agreement, you could all come here and tell us  
20 why it was a good resolution.

21 I think you think there are some  
22 issues that absolutely have to be adjudicated.  
23 And I would like to hear which of the issues  
24 you think can't be resolved through a working

1 group, so it's not even worth trying?

2 MR. KREIS: Well, those are two  
3 different questions, Commissioner Bailey. I  
4 mean, first of all, if you conduct an  
5 adjudicative -- if you open an adjudicative  
6 proceeding, it is standard practice here at the  
7 PUC, as you know, that the parties conduct  
8 discovery, hold technical sessions, ultimately  
9 settlement conferences, and we really do try to  
10 take all of the issues that don't need to be  
11 contested and hashed out in the hearing room  
12 and reduce them to a settlement agreement, and  
13 that helps everybody. And it still, of course,  
14 means that you might have questions you want to  
15 ask about those terms in the hearing room, and  
16 we do that. And so, if you move to an  
17 adjudicative proceeding and don't foreclose the  
18 informal dispute resolution process at all.

19 Conversely, if you were to say "Well,  
20 all right. We're going to convene working  
21 groups. And then, to the extent there's no  
22 consensus about what the working groups were  
23 asked to talk about, then we will open an  
24 adjudicative proceeding." Then, it's just a

1 matter of administrative efficiency.

2 The fact is, this docket has been  
3 open for four years. And so -- and we already  
4 went through a nine-month long Grid Mod.  
5 Working Group process, where I think all of the  
6 issues were hashed out pretty robustly.

7 So, I would say that, to the extent  
8 an informal approach to these things is going  
9 to produce consensus, it already has to some  
10 extent and it hasn't in other respects. And  
11 so, for practical reasons, it makes sense to  
12 commence adjudicative proceedings.

13 But that's a different question than  
14 what specific questions does the law require us  
15 to resolve by adjudication and which can be  
16 resolved informally.

17 CHAIRMAN HONIGBERG: I think to be  
18 clear, she's also asking "can you identify  
19 issues that you think still can, might be  
20 resolvable informally, from your perspective,  
21 based on the conversations and the meetings  
22 that you've had?"

23 I think that's the other part of the  
24 question Commissioner Bailey was asking.

1 CMSR. BAILEY: I don't think that  
2 every issue that is identified in the Staff  
3 Report for working groups has already been  
4 resolved by the Grid Mod. -- the original Grid  
5 Mod. Report. I don't think that's true at all.

6 And so, if you go to the Staff Report  
7 on Page 15, that's one place where all the  
8 issues are identified. Tell me which of those  
9 you think could be adjudicated -- should be  
10 adjudicated and which maybe we should start  
11 with a collaborative process. Or are you  
12 saying that all 13 of those we need to issue  
13 orders of notice on, and have a prehearing  
14 conference. And then, you said "discovery".  
15 Tell me what kind of discovery you're going to  
16 ask on some of the more -- like "customer  
17 education", you know.

18 MR. KREIS: Well, it's funny,  
19 customer education is probably one area that I  
20 do think would be amenable to informal  
21 resolution. If only because I don't have any  
22 insight, really, or little insight to  
23 contribute to what the utilities would be doing  
24 in that realm. I mean, I just don't. I mean,

1 I have opinions about all that stuff. But I'm  
2 keenly aware of the fact that I'm not the  
3 utility, they are. I mean, their job is to be  
4 good at knowing what to say to their customers  
5 about what they're doing in a way that promotes  
6 informed customer use of their services. And I  
7 don't think that needs to be adjudicated.

8 But --

9 CMSR. BAILEY: Do you think it needs  
10 to be addressed before the IDP is filed?

11 MR. KREIS: No.

12 CMSR. BAILEY: Okay. So, let's hear  
13 from you about which need to be adjudicated  
14 before an IDP is filed?

15 MR. KREIS: So, the first item on the  
16 list, "Rate Design", so it kind of depends on  
17 what you mean by "rate design". I mean, we  
18 could certainly have some productive  
19 conversations about how to reapply the  
20 Bonbright Principles, in light of the  
21 modernizing grid.

22 But, if you're going to make binding  
23 determinations about what kinds of approaches  
24 to rate design the Commission or the utilities

1 are going to be required to adopt, then you  
2 definitely have to adjudicate that, right?

3 I mean, think about, we've been  
4 having a debate with the utilities about  
5 revenue decoupling over the last few years.  
6 And I would love it if the Commission would  
7 decide "we would like every natural gas and  
8 electric utility in this state to propose a  
9 revenue decoupling plan that does X, Y, and Z."  
10 I assume that the utilities would be very  
11 unhappy if you did that, without giving them an  
12 opportunity to adjudicate it, so that it's done  
13 in a manner that's consistent with due process.  
14 Because they love the Lost Revenue Adjustment  
15 Mechanism they have now, it's totally "heads I  
16 win/tails you lose", from a ratepayer  
17 perspective.

18 CHAIRMAN HONIGBERG: Try to under  
19 argue the details and give the list. You were  
20 fairly clear in your written comments with  
21 respect to rate design that that belongs in a  
22 rate case.

23 MR. KREIS: I think, ultimately, the  
24 details belong in the rate cases.

1 CHAIRMAN HONIGBERG: Yes.

2 MR. KREIS: "Cost-effectiveness  
3 analysis methodology": That absolutely has to  
4 be adjudicated. It was really -- I think I had  
5 an English professor once who called certain  
6 things "howlers". It was a howler in the  
7 Eversource comments that they said "oh, you  
8 know, there could be", I forget the phrase that  
9 they used, but they said, you know,  
10 "troublesome differences of opinion that will  
11 waste lots of time." Well, of course. That's  
12 exactly why we have a Public Utilities  
13 Commission. We don't just let the utilities do  
14 whatever they want and expect their  
15 monopoly-captive customers to just go along  
16 with it.

17 The utilities' decision-making is  
18 subject to regulatory oversight. And the  
19 cost-effectiveness test goes straight to the  
20 heart of all of this. Just like it does in the  
21 energy efficiency context. So, of course that  
22 has to be adjudicated.

23 "Utility cost recovery": Well, I  
24 mean, ultimately, the utilities are going to

1 recover their costs, right? So, you know, we  
2 don't have to adjudicate the concept that  
3 prudently incurred costs are going to be  
4 recovered from customers. But, you know,  
5 what's prudent? What's the standard going  
6 forward, given the difference between the grid  
7 we have now and the grid we want?

8 CMSR. BAILEY: Don't you think cost  
9 recovery, though, is the -- the conversation  
10 that needs to happen is about how costs should  
11 be recovered, not whether the costs that were  
12 incurred were prudent? I mean, that's going to  
13 happen on a case-by-case basis, obviously is  
14 going to be adjudicated.

15 MR. KREIS: Well, right. So, if the  
16 question is, is there going to be a separate  
17 grid mod. tracker, or however you want to  
18 describe it? Absolutely, that needs to be  
19 adjudicated. That's a big deal. That is a  
20 institutional regulatory commitment to yet  
21 another single-issue ratemaking process.

22 CHAIRMAN HONIGBERG: Well, it would  
23 be a big deal in any -- and if it came in as  
24 part of a rate case, it would get adjudicated

1 in the rate case. So, what you're saying then  
2 is that you -- we can't issue an order in an  
3 investigation docket without turning it into a  
4 full-blown piece of litigation?

5 MR. KREIS: I think I am offering  
6 that --

7 CHAIRMAN HONIGBERG: Okay.

8 MR. KREIS: -- as at least a  
9 hypothesis. And, you know, I was -- and I'm  
10 sorry to be cheeky or glib, but it really made  
11 an impression on me that that's exactly what  
12 Mr. Epler said, on behalf of Unitil, in a  
13 filing that he just made in a different docket.  
14 I've been -- I said that to a whole -- several  
15 years of law students. I used to teach  
16 administrative law, and I would say "Really,  
17 there are only two flavors here: Vanilla and  
18 chocolate. One flavor is adjudication and the  
19 other flavor is rulemaking."

20 And obviously, a government agency  
21 gets to do other things. I mean, you, for  
22 example, have certain funds that you get to  
23 distribute. You don't have to conduct an  
24 adjudicative proceeding in order to sign a

1 contract or give away or allocate money in the  
2 Renewable Energy Fund.

3 But, as soon as you are making  
4 decisions that are binding on the rights and  
5 obligations of people, you have to either adopt  
6 a rule or you have to adjudicate. That's basic  
7 administrative law.

8 CHAIRMAN HONIGBERG: Commissioner  
9 Giaimo.

10 CMSR. GIAIMO: All set.

11 CHAIRMAN HONIGBERG: But aren't there  
12 multiple steps that we're talking about here?  
13 We could issue an order tomorrow, based on the  
14 record, that adopted some portions of the  
15 Staff's plan, made some changes to it, based on  
16 people's comments, that would provide a  
17 structure for the utilities going forward. We  
18 could do that.

19 And are you saying that, if we did,  
20 you would have grounds to appeal?

21 MR. KREIS: Yes.

22 CHAIRMAN HONIGBERG: Okay. As long  
23 as we're clear on that.

24 Go back to your list then, in

1 response to Commissioner Bailey's question.

2 MR. KREIS: "Hosting capacity  
3 analysis": So, that was a pretty hotly  
4 contested issue in the Grid Mod. Working Group.  
5 And I guess, you know, the question of hosting  
6 capacity analysis in the abstract is something  
7 that you could opine about outside of an  
8 adjudicative proceeding.

9 But, you know, what degree of hosting  
10 capacity you are going to require of the  
11 utilities? I mean, that's such a fundamental  
12 question. It really comes down to, to what  
13 extent are the utilities going to have to yield  
14 some piece of their monopoly on the  
15 distribution grid and admit other kinds of  
16 firms and entities into the tent, so that the  
17 utility becomes more of a platform provider,  
18 and certain services that we currently  
19 associate with the grid are now going to be  
20 available through third parties then? That's a  
21 big deal. That affects the utility's  
22 franchise. So, of course, that has to be  
23 adjudicated.

24 CMSR. BAILEY: If there were a

1 requirement for the IDP to address hosting  
2 capacity analysis from each utility, wouldn't  
3 the appropriate time then be to when we're  
4 reviewing that plan, to decide whether their  
5 hosting capacity analysis was adequate? Or are  
6 you saying that, before they file an IDP, we  
7 need to decide the boundaries of hosting  
8 capacity analysis?

9 MR. KREIS: I'm saying the latter.

10 CMSR. BAILEY: Okay. And that should  
11 be adjudicated?

12 MR. KREIS: Yes.

13 CMSR. BAILEY: So, that's something  
14 that needs to happen before the IDPs are filed?

15 MR. KREIS: Yes.

16 CHAIRMAN HONIGBERG: Are you also  
17 saying, getting back to the conversation you  
18 and I were having a moment ago, are you saying  
19 that an alternative approach to this would be  
20 for us to start a rulemaking that would lay out  
21 our rules for the utilities and the  
22 requirements of an LCIRP/IDP?

23 MR. KREIS: Yes. I'm saying you  
24 could do that, too.

1                   CHAIRMAN HONIGBERG: That makes you  
2                   the least popular person in the room, instead  
3                   of me.

4                   MR. KREIS: Well, I like the  
5                   rulemaking process. I'm probably the only  
6                   person in New Hampshire.

7                   CHAIRMAN HONIGBERG: That makes one  
8                   of you.

9                   MR. KREIS: I mean, it's engineered  
10                  to make rulemaking hard. That's the public  
11                  policy in the state. We don't like rules. So,  
12                  therefore, promulgating rules is difficult for  
13                  everybody who's involved in it. And that's  
14                  just -- that's what our General Court has  
15                  decided.

16                  CMSR. BAILEY: I think you skipped  
17                  the "Utility and customer data access".

18                  MR. KREIS: Oh, my word. That is a  
19                  huge issue. Data access? I mean, you know,  
20                  we're trying to -- I am going through a very  
21                  stressful process right now of attempting to  
22                  get the General Court to legislate on that very  
23                  subject, and it is quite a slog. And so, just  
24                  deciding by administrative *fiat* what the

1 requirements that are going to be imposed on  
2 the utilities for how much -- how much and how  
3 they provide, and to whom they provide access  
4 to their data. I mean, that's such a  
5 fundamental question that, of course, it needs  
6 to be adjudicated. It can't be resolved  
7 informally.

8 CMSR. BAILEY: It can't be resolved  
9 informally, because you don't believe that the  
10 parties would come to agreement?

11 MR. KREIS: No. I never rule out the  
12 possibility of the parties coming to agreement,  
13 because we've resolved some very contentious  
14 things over the years.

15 CMSR. BAILEY: You have.

16 MR. KREIS: And, you know, but the  
17 threat of an adjudicative -- adjudicated  
18 result, followed by the possibility of an  
19 appeal, is a very useful disciplining force.

20 CMSR. BAILEY: Okay. Let's talk  
21 about that particular topic.

22 So, what kind of discovery would you  
23 say -- well, would you start with everybody  
24 filing testimony and then ask discovery?

1           Because, usually, discovery is on testimony.

2                   MR. KREIS:   Yes.

3                   CMSR. BAILEY:  So, everybody would  
4           file testimony.

5                   CHAIRMAN HONIGBERG:  Whoa, whoa.  
6           Hang on.  Hang on.  That's not what your  
7           proposal said.

8                   CMSR. BAILEY:  Right.

9                   CHAIRMAN HONIGBERG:  Your proposal,  
10          on Page 17, starts with some discovery.  Which  
11          we have assumed means everybody else asking  
12          questions of the utilities for data and  
13          information to help inform them about what  
14          their testimony would say, which is step, I  
15          don't know, four or five, on your schedule.

16                          Did I misunderstand?

17                   MR. KREIS:  You did not.  But I did  
18          characterize that as a "straw proposal".  And I  
19          guess I am thinking back to the net metering  
20          docket and certain other sort of more generic  
21          adjudicative or quasi-adjudicative proceedings  
22          that we've had here.  And so, I suggested that  
23          we start with discovery.

24                          But, fundamentally, I think that I

1           could certainly live with an adjudicative  
2           process that forces everybody to start by  
3           filing testimony.

4                        CMSR. BAILEY:  And who would have the  
5           burden of proof?

6                        MR. KREIS:  The utilities always have  
7           the burden of proof.  What other -- I'm not  
8           sure what other answer I could give you.

9                        CMSR. BAILEY:  Yes.  So then, what  
10          you're thinking is that the utilities would  
11          file testimony, you would ask discovery on  
12          them, and then you would file testimony?

13                       MR. KREIS:  No.  I think everybody  
14          should file testimony at the same time.  
15          Because what happens when we let the utilities  
16          file the testimony first, is they end up  
17          setting the agenda.  And I think this, in the  
18          spirit of Scott Hempling, this requires  
19          "proactive regulation", and that means not  
20          letting the utilities call the shots, set the  
21          agenda, and determine the boundaries of this  
22          conversation.

23                       CHAIRMAN HONIGBERG:  Mr. Fossum, put  
24          in a placeholder for what you want to talk

1 about with respect to burden of proof, okay?  
2 Because I want to talk about something else  
3 with Mr. Kreis first.

4 CMSR. BAILEY: I also want to make a  
5 note that I want to hear from everybody, if  
6 they would plan to participate in these  
7 adjudications and actually file testimony or  
8 not.

9 CHAIRMAN HONIGBERG: Commissioner  
10 Giaimo.

11 CMSR. GIAIMO: And I don't want to  
12 lose track of the list. Mr. Kreis, you only  
13 got through the first five or six. They were  
14 all in the "yes" category with respect to  
15 adjudication. So, I would like to hear your  
16 thoughts on the final seven.

17 If it would be easier for you to,  
18 instead of saying what you want to have  
19 adjudicated, what on the list you don't want  
20 adjudicated, that might be helpful. Because  
21 you said, and I think you said you "want  
22 adjudicated everything that's important", I'm  
23 sure they're all important, but maybe you can  
24 pin it down, if you will.

1           MR. KREIS: Okay. Just to go through  
2 the rest of the list. The things that might  
3 not be absolutely necessary to adjudicate are  
4 consolidated billing; cybersecurity is a hugely  
5 important issue, but I don't think it's  
6 amenable to litigation. I mean, you know,  
7 again, it depends on what you really mean by  
8 "cybersecurity".

9           CHAIRMAN HONIGBERG: I'll also just  
10 observe that I'm not sure it's appropriate for  
11 a working group process either. So, --

12           MR. KREIS: True. And, frankly, on  
13 the question of cybersecurity, I don't know  
14 what's appropriate for me to do. There is  
15 cybersecurity information I don't want. And  
16 there are questions about cybersecurity that  
17 I'm not -- I and my staff, even if I staff up  
18 with consultants, are not qualified to address.  
19 And I'm keenly aware of that.

20           So, I think the question of what to  
21 do about cybersecurity, I guess I would concede  
22 that an adjudicative proceeding is not  
23 necessarily the best place to hear -- have  
24 those issues resolved. And even if you decided

1           you did need to adjudicate cybersecurity, you'd  
2           probably have to conduct most of the proceeding  
3           behind closed doors anyway. So, that doesn't  
4           feel good.

5                         And then "Annual reporting  
6           requirements": That's the kind of thing that  
7           ought to be the subject of a rule.

8                         CMSR. BAILEY: Now, what about  
9           customer education?

10                        CHAIRMAN HONIGBERG: He already  
11           talked about customer education.

12                        MR. KREIS: I did. You did get me to  
13           concede that maybe customer education is the  
14           sort of thing that doesn't require  
15           adjudication.

16                        CHAIRMAN HONIGBERG: Let me talk,  
17           before we cycle back to burdens of proof or  
18           standards of proof, what would litigation look  
19           like? I am very concerned about a process that  
20           would start with prefiled testimony in this  
21           context. Because I think a lot of people would  
22           be uninformed, and the testimony wouldn't be  
23           helpful, and the discovery wouldn't be  
24           illuminating. There's one group of -- who are

1 folks in this room who are part of this process  
2 who have all the information, and another group  
3 that doesn't.

4 I really don't see the traditional  
5 file, discover, respond, discover, settlement  
6 conference, to be the most efficient litigation  
7 structure here. I would like, if we're going  
8 to have to litigate now, to develop some sort  
9 of hybrid process, that is as collaborative as  
10 possible and is as open as possible with the  
11 information, before people develop their  
12 positions.

13 It's the EERS/net metering process,  
14 without the prefiled testimony. It's the  
15 process.

16 And the thinking, at least in my  
17 mind, and again, I'm speaking only for myself,  
18 is that the problem with your open working  
19 group is that there's no endpoint. There's no  
20 -- "hammer" is not the right word, but that's  
21 the word I'm going to use, because it's the  
22 only word that I can think of right now, of a  
23 decision to be made based on what comes in.

24 If we put it into a litigation

1 process, but with some sort of hybrid rules, it  
2 allows the party to do whatever collaboration  
3 they need to do. And to the extent they can't  
4 work it out, there's a decision-maker to make  
5 the decision for them at the end.

6 It is essentially what happened with  
7 net metering. It didn't look like that up  
8 front, and it wasn't styled that way at the end  
9 of the day, but that's effectively what  
10 happened. Parties, they collected around two  
11 different proposals, that shared a lot of  
12 common aspects, but had some pretty fundamental  
13 disagreements. The fundamental disagreements  
14 got thrown to us for a decision; we made a  
15 decision.

16 MR. KREIS: Well, Mr. Chairman, that  
17 docket was a cesarean twin birth, I would say.  
18 What you aren't mentioning, in part, because  
19 this really didn't necessarily play out with  
20 the three of you sitting up on the Bench the  
21 whole time, was that it was a very difficult  
22 and contentious process to get the information  
23 out of the utilities that was necessary to  
24 formulate proposals. And I think the net --

1 the net result, pun intended, is that we  
2 learned that we essentially lack the data that  
3 we need to make a fully informed decision about  
4 what to do about net metering in New Hampshire.

5 So, in that sense, we probably would  
6 have been better off in that docket if we had  
7 started out with some testimony, so that  
8 parties had to declare themselves.

9 CHAIRMAN HONIGBERG: Well, okay. I  
10 hear you.

11 But it seems to me that only one side  
12 of that equation would have been in a position  
13 to file anything. Do you agree with that?

14 I mean, there were lots of people who  
15 have opinions, --

16 MR. EPLER: Well, --

17 CHAIRMAN HONIGBERG: -- and had some  
18 national experts who said "Oh, this is easy."  
19 But that really wasn't what was brought forward  
20 at the end of the day.

21 Mr. Epler, I heard your voice.

22 MR. EPLER: Yes. And I would also  
23 point out that we, meaning Unitil, started out  
24 with a very specific proposal, very specific

1 testimony, very specific evidence in our rate  
2 case, and was met with the Advocate and  
3 numerous other parties saying "No, don't do it  
4 there."

5 So, I think it's interesting that  
6 we're now looking, you know, asking for that  
7 kind of process.

8 CHAIRMAN HONIGBERG: Well, he may not  
9 be. But it's me, not him.

10 MR. EPLER: The issue, I mean, there  
11 was a quote claiming it was "from the Gospel of  
12 Epler", I think it was from the "Talmud of  
13 Epler".

14 *[Laughter.]*

15 *[Court reporter interruption,*  
16 *and confirmed quote during the*  
17 *subsequent recess.]*

18 CHAIRMAN HONIGBERG: Just make sure  
19 that the microphone is on and that you're  
20 speaking into it, because it was too good not  
21 to have in the transcript. So, do you want to  
22 repeat it?

23 MR. EPLER: That's all right. But I  
24 think the question here is really one of

1 timing, and I think Commissioner Bailey was  
2 heading in that direction. That is there a  
3 point where fundamental rights are going to be  
4 determined and is there an opportunity to have  
5 them adjudicated? And there is, and that's  
6 going to come when the plans are filed. And  
7 whether or not the plans meet particular  
8 criteria and satisfy particular requests and  
9 input and so on.

10 And so, you can have -- you can have  
11 different processes leading up to that, as long  
12 as then you have, when you're going to be  
13 deciding fundamental rights, you have -- you  
14 have the opportunity, you have notice and  
15 opportunity to be heard and present argument  
16 and present facts and so on.

17 And so, as long as you have a process  
18 that's leading up to that, I think you're fine.  
19 Now, you do need some guidance, and certainly,  
20 on a number of these issues, where questions  
21 remain, the Commission can give guidance and  
22 say "we need you to file a plan that", you  
23 know, take any one of the issues, okay, so if  
24 you take like "hosting capacity", "that

1 addresses hosting capacity in the following  
2 way", so you can lay out the five or six things  
3 that you want to see in a plan.

4 And then, you can also say "or why  
5 not?" "Or why didn't you do that?"

6 And yes, it's the -- and, you know,  
7 can you go through the list and you can give us  
8 direction on every one of those things, saying,  
9 you know, "This is what we want to see in your  
10 plan. And if you don't address it, you better  
11 tell us why not, why you didn't, or why you  
12 proposed this alternative."

13 And then, we have the opportunity to  
14 put the plans together and present them. And  
15 then, there is an adjudication, and there is  
16 discovery, and there's testimony, and there's  
17 the opportunity to litigate it and say "Well,  
18 Unitil, you didn't even address hosting  
19 capacity. And you're totally inadequate there,  
20 and here's why. And here's why it's  
21 important." And the Commission makes a  
22 decision on that. But it's the way forward.

23 CMSR. BAILEY: If you do it that way,  
24 though, don't you just make -- doesn't the

1 Commission then make determinations about  
2 what's actually required about hosting  
3 capacity, in your example, on a piecemeal  
4 basis? So, Unitil gives us the first IDP, and  
5 it addresses hosting capacity in what it thinks  
6 is the way it should happen. And everybody  
7 argues "No, you have to do this, that, and the  
8 other thing", and the Commission decides  
9 whatever it decides, then isn't that a  
10 precedent for the other two? And then, won't  
11 the other two have to be part of your IDP, if  
12 you're the first one to go?

13 I mean, it does seem more efficient  
14 to resolve some of those issues generically.

15 MR. EPLER: Well, then the way to  
16 handle that is to require all the plans to be  
17 filed at the same time.

18 CHAIRMAN HONIGBERG: Mr. Frantz just  
19 had a heart attack.

20 Ms. Mineau.

21 MS. MINEAU: I'm going to borrow this  
22 microphone.

23 I think that, if we're talking about  
24 fundamental disagreements and fundamental

1 rights, those are in common to all three  
2 utilities, and that it would be appropriate to  
3 have an adjudicative proceeding up front to  
4 resolve the issues that need to be resolved, to  
5 provide guardrails and specific parameter  
6 requirements for all three plans. So that we  
7 don't have to fight those same issues in three  
8 separate proceedings a year or a year and a  
9 half from now, when we could have a proceeding  
10 to resolve them up front and have very clear  
11 requirements for how those issues have to be  
12 addressed in the plans, so that we can do it  
13 once, and for everyone's resources, do it  
14 efficiently.

15 CHAIRMAN HONIGBERG: Are you using  
16 the phrase "fundamental rights" in a legal,  
17 Constitutional sense?

18 MS. MINEAU: I have no idea.

19 CHAIRMAN HONIGBERG: That's what I  
20 thought.

21 MS. MINEAU: Fundamental  
22 disagreements, right? There are non-consensus  
23 issues that are fundamental disagreements. And  
24 then, you're talking about determining who has

1           what rights. I'm not an attorney.

2                   CHAIRMAN HONIGBERG: Do you mind if  
3 we think of the types of things you're talking  
4 about is "important" --

5           MS. MINEAU: Yes.

6                   CHAIRMAN HONIGBERG: -- types of  
7 issues that need to be resolved?

8           MS. MINEAU: And that are overarching  
9 to grid modernization that are the same for  
10 every utility.

11                   CHAIRMAN HONIGBERG: Mr. Fossum, talk  
12 to me for a moment, in Mr. Kreis's world of  
13 immediate litigation, about the issue of burden  
14 of proof.

15           MR. FOSSUM: Okay. Well, there's  
16 been quite a number of things that have been  
17 talked about over the last few minutes. But  
18 I'll try to --

19                   CHAIRMAN HONIGBERG: You can talk  
20 about anything you want to in addition that's  
21 related to what we've been discussing, but I  
22 know you wanted to say something about that.

23           MR. FOSSUM: Well, I'll try to fence  
24 myself in a bit.

1           First, I guess I'm going to, without  
2           trying to be rude, I'm going to agree with much  
3           of what Mr. Epler had said. I think, at this  
4           point, I mean, there's a lot of information  
5           available to the Commission already, from the  
6           processes that have taken place. And I think  
7           the Commission is in a place where it could  
8           issue an order somewhat in line with what  
9           Mr. Epler has -- was just speaking about, and  
10          begin a process that way.

11           I know Mr. Kreis has indicated that  
12          he thinks that might be open to some measure of  
13          challenge or appellate litigation.

14           But my recollection, and it may not  
15          be the best recollection, is that we did  
16          something similar in the EERS docket. It was a  
17          process where the Commission took in  
18          information to decide whether adopting an EERS  
19          and moving it forward was even a good idea.  
20          And ultimately, based on the information it  
21          received, issued an order that said "Yes. Go  
22          forth and develop a plan to implement it." You  
23          know, something similar could happen here.

24           Turning now to your more immediate

1 question on burden of proof. You know, I don't  
2 agree with the absolute of Mr. Kreis that "it's  
3 always the utilities that have the burden of  
4 proof." It's the vast majority of the time, to  
5 be sure, but not always.

6 And in this case, as you began, you  
7 had said you wanted to talk about the comments  
8 that were filed in response to a Staff Report.  
9 So, I was kind of looking at it as, at this  
10 point, we're talking about the Staff Report has  
11 sort of set the agenda. And to the extent that  
12 we're dealing with those comments, and plans  
13 that may become developed or a filing that may  
14 come from that, that report, I'm not certain  
15 why it would be the burden of the utility to do  
16 something at this stage.

17 Ultimately, if we file a plan, it  
18 would be our burden to support that plan. But,  
19 if there's discussion of "we need to adjudicate  
20 a number of things coming out of that Staff  
21 Report first", I don't see why that would be  
22 necessarily the utility's burden to carry.  
23 We're not -- I'm not trying to prove anything  
24 that was in the Staff's plan at this point.

1 I think the discussion is, if we are  
2 to hold an adjudication on whatever group of  
3 issues we might hold an adjudication on, who  
4 would the burden of proof fall on? I think,  
5 quite frankly, that depends on the issue.

6 CHAIRMAN HONIGBERG: Isn't the  
7 generic rule in this state, under the Justice  
8 Department rules, and I think we have an  
9 analogous rule, that says "the party asserting  
10 any proposition has the burden on that issue".

11 MR. FOSSUM: I believe that's  
12 accurate, yes.

13 CHAIRMAN HONIGBERG: And Mr. Sheehan  
14 is nodding his head and agrees with you as  
15 well.

16 MR. FOSSUM: Yes. So, it may be  
17 that, on some issues, the utility is trying to  
18 prove a point and wants something done, and on  
19 that we would have the burden. But there are  
20 other issues where that may not be the case.

21 So, I think it's somewhat  
22 shortsighted to say "the utility must prove all  
23 of the following things."

24 CHAIRMAN HONIGBERG: Do you have any

1 concerns, along the lines of what Commissioner  
2 Bailey articulated in her conversation with Mr.  
3 Epler, about the piecemeal nature of different  
4 utilities going forward on slightly different  
5 schedules producing potentially different  
6 results or, if not different results, the  
7 requirement that everybody participate in the  
8 same proceedings anyway?

9 MR. FOSSUM: Well, I mean, that  
10 happens today. I mean, in a different -- and I  
11 don't see why -- so that, as sort of a  
12 fundamental concept, I don't see why that's  
13 problematic.

14 CHAIRMAN HONIGBERG: Well, but here  
15 we know we have multiple issues that on which  
16 there's not consensus, and they interrelate.  
17 It's clearly a problem -- not a "problem", it's  
18 clearly an issue in every type of regulatory  
19 docket that affects all types of utilities  
20 across the board. So, that doesn't go away.  
21 We're not going to fix that. We're not going  
22 to bring every utility in in every docket.

23 MR. FOSSUM: Certainly.

24 CHAIRMAN HONIGBERG: But here --

1 MR. FOSSUM: Well, so, I guess to  
2 live with the same example that was brought up  
3 earlier, hosting capacity, for example. If the  
4 concern is "Well, Unitil is going to come in  
5 and propose that it deal with hosting capacity  
6 analysis in a certain way, or explain why it  
7 didn't do it in that way", then the next  
8 utility in line, to the extent the Commission  
9 has issued an order, it would have to comply  
10 with that order, perhaps, perhaps not.

11 I think everybody has acknowledged,  
12 the Staff Report acknowledges, I think the  
13 comments, not all, but for the large part  
14 acknowledge, the utilities are in different  
15 places, technologically, with respect to their  
16 capabilities.

17 So, if the Commission was to find  
18 that Unitil needed to do "something" to address  
19 hosting capacity, that might not be the same  
20 "something" that Eversource or Liberty would  
21 have to do to develop a hosting capacity  
22 analysis.

23 So, I guess I'm not, at some  
24 fundamental level, I'm not bothered by the idea

1           that different results might come from  
2           different utility processes necessarily.

3                         If the idea is, "we would like a  
4           hosting capacity analysis to be created and  
5           generally available", if that's the goal, that  
6           that's the objective, then each utility might  
7           get to that objective in a different way. And  
8           the Commission might have to issue different  
9           rulings along the way there. But we're all  
10          going to the same objective. And those are the  
11          things that we should be more concerned about,  
12          getting to the same desired objectives.

13                        CMSR. BAILEY: And what do you have  
14          to say in response to Ms. Mineau's argument  
15          that then the parties would have to litigate  
16          that same thing in three separate dockets?

17                        MR. FOSSUM: I don't know that I can  
18          find a way around that issue. Again, I mean,  
19          perhaps it's a good example or a poor example,  
20          but on that issue particularly, the objective  
21          itself wouldn't need to be individually  
22          litigated. We could find a way to -- I think  
23          there's probably not all that much grand  
24          disagreement on the ultimate objective.

1 CMSR. BAILEY: Is there grand  
2 disagreements on how it would be implemented?

3 MR. FOSSUM: I think there's going to  
4 have to be. Like I said, the utilities are in  
5 different places, in terms of their  
6 capabilities.

7 CMSR. BAILEY: But this is a  
8 "planning process". So, we're planning to make  
9 investments to satisfy the future.

10 MR. FOSSUM: Correct.

11 CMSR. BAILEY: And isn't the future  
12 the same for everybody?

13 MR. FOSSUM: I think that's -- well,  
14 I would say the desired outcomes may be the  
15 same. But what that looks like may not be the  
16 same for everybody.

17 And yes, it's a planning process.  
18 But, if we came in and said "to get you to that  
19 objective, it's going to cost \$500 million and  
20 take 33 years", but Unitil said "Oh, we can do  
21 it for a million dollars in a year and a half",  
22 well, you know, putting aside that those are,  
23 obviously, you know, just for extreme  
24 hypotheticals, but that doesn't change what the

1 objective is going to be. But it certainly may  
2 dictate how different utilities find their way  
3 there.

4 I don't think there's really any way  
5 around that. In some instances, you're just --  
6 you're going to have to deal with there's going  
7 to be different ways to get there. And you're  
8 going to have to do that on a utility-  
9 by-utility basis. Unless we're all going to  
10 merge into, you know, one company with one  
11 system that's run one way, I just don't see a  
12 way around that, in at least some of these  
13 things.

14 CHAIRMAN HONIGBERG: Somewhere the  
15 folks from the Co-op are smiling.

16 MR. SHEEHAN: Mr. Chairman.

17 CHAIRMAN HONIGBERG: Mr. Sheehan.

18 MR. SHEEHAN: Mike Sheehan. A  
19 high-level way of maybe looking at it is  
20 picking up on both Gary's and Madeleine's  
21 comments, is you have a step one of advisory  
22 opinions from the Commission, giving us,  
23 everyone, guidance. Those advisory opinions  
24 could follow some process this fall, a report,

1 follow up on a report, and you say "This is how  
2 we'd like to see hosting capacity done with  
3 these basic parameters. Now go forth and do  
4 your plan."

5 When we file the plans, then you've  
6 triggered the adjudicatory process, where  
7 parties can say "Why the heck did you do it  
8 that way? Show me your evidence. And we  
9 disagree, it should be done the other way."

10 And that way, because the one problem  
11 with the plans now for the utilities is, if  
12 we're charging ahead to do an IDP now and we  
13 miss on what the goals are, then we've again  
14 wasted time.

15 So, now, an advisory opinion would be  
16 just that. It would be non-binding, in the  
17 sense that it wasn't adjudicatory. But it  
18 would be a strong signal from the Commission of  
19 what should be covered, how it should be  
20 covered. And obviously, as Matthew was saying,  
21 give the utilities the flexibility within that  
22 to say "our system has to do it this way" and  
23 "Liberty's system has to do it that way".

24 CHAIRMAN HONIGBERG: Isn't that very

1 close to the essence of the Staff's approach?

2 MR. SHEEHAN: I think so. And IT  
3 also resolves the burden of proof issue.  
4 Because, right now, there's nothing for the  
5 utilities to prove; we don't have a plan. But,  
6 if you give us guidance, and then we file a  
7 plan, now we have to prove that our plan meets  
8 the objectives and meets it reasonably.

9 CHAIRMAN HONIGBERG: Staff's been  
10 silent on this. Is there anyone on the --

11 CMSR. BAILEY: Can I ask a follow-up  
12 going to --

13 CHAIRMAN HONIGBERG: Oh, sure. Go  
14 ahead.

15 CMSR. BAILEY: How would the  
16 Commission come up with an advisory opinion on  
17 hosting capacity? I didn't even know what that  
18 was until two days ago.

19 MR. SHEEHAN: I don't either. It's  
20 a --

21 CMSR. BAILEY: Working groups?

22 MR. SHEEHAN: You've got a  
23 stakeholder -- I mean, you've got a Staff  
24 Report that covers a lot of these topics with a

1 lot of detail. And yes, maybe it's a working  
2 group that says -- that can maybe come to an  
3 agreement on what hosting capacity should be.

4 CMSR. BAILEY: Should look like?

5 MR. SHEEHAN: Yes. If not, you get  
6 three proposals, recommendations, reports that  
7 say "it be should be A, B, or C", and you  
8 choose, or maybe you say "all three would work,  
9 if, you know, the goals were there."

10 So, I appreciate most of what Mr.  
11 Kreis said about the process and the need for  
12 adjudicatory process. But I do struggle with,  
13 if we were to dive in now, the most logical  
14 testimony would be in support of a plan. And  
15 we're not there yet. So, what would the  
16 testimony be in support of? It would be, for  
17 example, in support of "hosting capacity should  
18 be done this way, rather than that way."

19 But we don't even know if hosting  
20 capacity, using that as an example, is  
21 something that should be in the plan. So,  
22 should the first testimony be "we think there  
23 should be hosting capacity, yes" or "no". So,  
24 you have a "chicken and egg" problem, which may

1 be solved by a working group process to develop  
2 some consensus over the broad parameters of the  
3 plan.

4 CHAIRMAN HONIGBERG: Mr. Kreis, you  
5 look like you wanted to respond to that?

6 MR. KREIS: No. I'm just finding it  
7 all very, very interesting.

8 CHAIRMAN HONIGBERG: Anybody from  
9 Staff want to weigh in on the discussion we've  
10 had so far? Feel free to say "no", if you'd  
11 like.

12 MS. FABRIZIO: Staff would like to  
13 just state that we agree with some of the  
14 sentiments expressed by the companies this  
15 morning, that guidance is required to move  
16 forward from where we are right now.  
17 Otherwise, we'd be adjudicating in a vacuum on  
18 the specifics of what is required in each  
19 individual IDP, which as you now have heard can  
20 differ significantly.

21 The Raab Report gave a very broad  
22 brush recommendation on how to proceed on the  
23 issue of grid modernization. And Staff's  
24 intent in its report was to create a workable

1 framework for moving forward. And we see the  
2 working groups as a -- with parameters built  
3 there, in terms of time extensions here, to  
4 develop consensus further on the specifics, now  
5 that everyone has more of a feeling for  
6 thoughts from all directions on what is  
7 required by the grid modernization process.  
8 And those working groups would get us to the  
9 desired objectives to be included in plans that  
10 will ultimately be filed by the utilities.

11 CHAIRMAN HONIGBERG: Mr. Frantz, did  
12 you want to say something, in addition to what  
13 Ms. Fabrizio just said? Trying to read body  
14 language. Oh, Mr. Stachow.

15 CMSR. BAILEY: Turn the mike on.

16 MR. STACHOW: One of the overriding  
17 objectives of -- one of the overriding  
18 objectives of the Staff Report was, on the one  
19 hand, to safeguard maximum stakeholder  
20 participation through the work groups. But, on  
21 the other hand, to try and come up with a  
22 coherent approach. By "coherent", I didn't  
23 mean that we would litigate single issues.  
24 That we would look at the demands of the new

1 grid in a coherent way that would -- and we've  
2 created a methodology that makes it possible  
3 for us to think about the grid in a complex  
4 way.

5 We showed a diagram, I think it's an  
6 unfortunate diagram, in the report, that shows  
7 the relative interrelationships. And that any  
8 decision that's taken on one piece may have  
9 multiple impacts upon others. And so, we  
10 wanted the plan to be the result of coherent  
11 thought about how we would like this program to  
12 be rolled out.

13 And we believe that, if we litigate  
14 piece-by-piece, we resolve one issue, but we  
15 might forget about a number of other issues  
16 which are interdependent with that issue, which  
17 may choose to be ignored. And we believe that  
18 the approach that we've proposed avoids that.

19 CHAIRMAN HONIGBERG: Mr. Kreis.

20 CMSR. BAILEY: Can I ask --

21 CHAIRMAN HONIGBERG: Oh, wait. Wait.

22 CMSR. BAILEY: Can I ask a follow-up?

23 CHAIRMAN HONIGBERG: Sure.

24 CMSR. BAILEY: So, if you address

1           these issues in working groups, and you come to  
2           a resolution on some and not others in working  
3           groups, doesn't that create the same problem?

4                   MR. STACHOW: Our expectation would  
5           be that, and perhaps we're wrong here, but our  
6           expectation would be that many of those issues  
7           I think we would reach agreement on. And we  
8           would limit the area where there is  
9           disagreement. And it was our thought that, in  
10          the areas where there is a disagreement, each  
11          utility, having benefited from the received  
12          wisdom arising from the work group, would then  
13          have the freedom to choose whether to listen to  
14          the recommendation that came out of the work  
15          group and act accordingly, or, if not, explain  
16          why their IDP they were choosing to diverge,  
17          and then it would be litigated.

18                   CHAIRMAN HONIGBERG: Now, Mr. Kreis.

19                   MR. KREIS: Thank you, Mr. Chairman.  
20          This is a really interesting Talmudic  
21          conversation. But I'm still left with this  
22          maybe simplistic approach to this whole realm.

23                   We have the report of the Grid  
24          Modernization Working Group. We have -- and

1           it's pretty extensive. We have the Staff  
2           Report, which is even more extensive and  
3           detailed. It would be easy enough and  
4           straightforward enough for the utilities to  
5           update the data that appears in the various  
6           appendices to those two documents. We could,  
7           and by "we" I mean the Office of the Consumer  
8           Advocate, and I bet maybe other parties, too,  
9           we could take all of that information and  
10          produce prefiled direct testimony for you that  
11          would be our set of recommendations on how to  
12          move forward with the IDP process, based on  
13          what has come before us in this docket. You  
14          could issue a ruling, after that testimony is  
15          adjudicated. And then we would know how we're  
16          going to do this, and then the utilities can  
17          file their Integrated Distribution Plans.

18                        That formulation doesn't create any  
19                        due process minefields. It's consistent with  
20                        all the statutes. It's reasonably efficient.  
21                        And it's more civilized than rowing across the  
22                        Hudson and shooting at each other in Weehawken.

23                        CMSR. BAILEY: Can we hear from other  
24                        parties who would agree to participate in that

1 way? Like who else would file testimony and  
2 make recommendations for -- I guess what you're  
3 saying, Mr. Kreis, is the guidepost for an IDP  
4 would be determined in that, in that  
5 proceeding?

6 CHAIRMAN HONIGBERG: Ms. Mineau.

7 MS. MINEAU: We would plan on -- we  
8 would plan on participating in such a  
9 proceeding. And I want to --

10 CMSR. BAILEY: Participating how?  
11 Would you file testimony?

12 MS. MINEAU: File testimony, hire  
13 expert witnesses as needed.

14 CMSR. BAILEY: Okay.

15 MS. MINEAU: And I want to respond to  
16 Staff's assertion that their proposed process  
17 was aimed at maximizing stakeholder  
18 participation.

19 I want to caution that, having to  
20 dedicate staff resources to participate in  
21 working groups to resolve thirteen issues, and  
22 then -- over the next nine months, and then a  
23 year from now dedicating resources to  
24 participate in three separate adjudicative

1 proceedings for each plan is much more  
2 burdensome on a stakeholder, rather than  
3 participating in a single adjudicative  
4 proceeding now to resolve the issues we see as  
5 fundamental and necessary to determine the  
6 minimum requirements that must be in the plans.  
7 That then, as long as those minimum  
8 requirements are satisfied, we likely would not  
9 feel the need to intervene in those plan  
10 reviews.

11 MR. HERNDON: May I quickly follow up  
12 on that?

13 CHAIRMAN HONIGBERG: Sure.

14 *[Court reporter interruption.]*

15 CHAIRMAN HONIGBERG: Back there.  
16 Identify yourself please, for Mr. Patnaude.

17 MR. HERNDON: Henry Herndon, Clean  
18 Energy New Hampshire.

19 So, I would just -- I'd like to float  
20 a couple of ideas, and maybe invite you all to  
21 think about what this process might look like.

22 And Mr. Fossum, you brought up the  
23 EERS docket, we've talked a little bit about  
24 the net metering docket. Mr. Kreis recommended

1 perhaps opening with prefiled testimony. If I  
2 recall correctly, in the Energy Efficiency  
3 Resource Standard docket, there was initially  
4 an investigation, Staff wrote a report, then we  
5 opened the docket. But the docket did not open  
6 with prefiled testimony. There was some  
7 initial technical sessions. There were some  
8 room for bringing in the Regulatory Assistance  
9 Project, Northeast Energy Efficiency  
10 Partnerships, some other groups, to help us  
11 think through what are the issues. And I think  
12 we've done a lot of that thinking through what  
13 the issues are. But I guess there could be  
14 room within this adjudicative process for some  
15 of that flexibility to say "Hey, where can we  
16 reach agreement?" With, as Mr. Kreis  
17 discusses, the threat of litigation at the end,  
18 but still sort of, I would believe, a good  
19 faith effort on all parties' part to work out  
20 those guardrails and come to an agreement  
21 within an adjudicative process.

22 So, I think it's been done in  
23 other -- there are other examples we can look  
24 to that might be helpful in thinking about how

1           this process might look.

2                   CHAIRMAN HONIGBERG: All right. I  
3 know there's probably other things people want  
4 to talk about and other questions we want to  
5 address. But I want to take a ten-minute  
6 break, and then we will be back at 25 minutes  
7 to 12:00.

8                               *(Recess taken at 11:23 a.m. and*  
9                               *the hearing resumed at 11:41*  
10                              *a.m.)*

11                   CHAIRMAN HONIGBERG: A newish topic,  
12 but one that's been alluded, is the question we  
13 asked as Number 5, having to do with rate  
14 design, which implicates hardware requirements  
15 and metering, things like that.

16                   We heard a little bit from Mr. Kreis  
17 on that topic. Anybody else want to discuss  
18 that issue or question?

19                   Mr. Frantz.

20                   MR. FRANTZ: Thank you. We know we  
21 have two rate cases coming in this year. And  
22 we don't think something like rate design  
23 should only be relegated to a grid mod. or to a  
24 grid mod. working group. We think that rate

1 design will be an important aspect of those two  
2 rate cases. And we, as Staff, fully plan on  
3 addressing a number of issues in rate design.

4 That said, rate design isn't an  
5 endpoint. It's a process, and underlying the  
6 process is good cost data. So, we plan on  
7 looking at an improvement in the existing rates  
8 that we have in place today, based on the  
9 filings that come in.

10 That said, we don't think rate design  
11 ends there. But we think that will help form a  
12 better place to start from, and rate design  
13 could go forward as part of a working group in  
14 grid mod., but it shouldn't wait for grid mod.

15 CHAIRMAN HONIGBERG: Anyone on this  
16 side of the room, the utilities?

17 Mr. Chung.

18 MR. CHUNG: Good morning. Eric  
19 Chung, from Eversource.

20 So, generally, I agree with the  
21 perspective Mr. Frantz has. And I'll say,  
22 overall, we would be supportive of speaking to  
23 goals and objectives and hearing the  
24 perspectives of the stakeholders on rate design

1 in forums throughout the grid mod. process.

2 But, as one of the utilities who's  
3 coming in with a comprehensive rate filing with  
4 a number of issues, we think it's more  
5 appropriate to make final decisions on  
6 distribution rate design in that rate  
7 proceeding. So, we would not support having  
8 one-off rate design decisions in the IDP  
9 process, but rather as part of the  
10 comprehensive rate case.

11 But, certainly, it would be valuable  
12 to hear perspectives from the stakeholders as  
13 part of the IDP process.

14 CMSR. BAILEY: Does that mean that  
15 you would not be able to file an IDP until  
16 after the rate case was completed?

17 MR. CHUNG: I wouldn't say that. I  
18 do think that knowing the timeline of the IDP  
19 helps us plan in the rate proceeding to  
20 anticipate that we might have, you know, a  
21 tracking mechanism for grid mod. and be able to  
22 think about what an appropriate rate design  
23 might be.

24 So, I think it's -- I believe our

1 rate case will be adjudicated and completed  
2 before the submission of an IDP at this rate.  
3 So, I think we can anticipate thinking ahead to  
4 the IDP in the rate case.

5 CHAIRMAN HONIGBERG: Others on this  
6 topic? Anyone?

7 Ms. Mineau.

8 MS. MINEAU: I think that certain  
9 benefits of grid mod. investments can only be  
10 realized if they're associated with a new rate.  
11 And so, perhaps to clarify what we submitted in  
12 our written comments, I think it's okay if the  
13 specific rates are still approved in rate  
14 cases. But I think that the utilities would  
15 have to put some serious thought, as they're  
16 developing their IDP, that a certain rate may  
17 need to go hand-in-hand with a proposed grid  
18 mod. investment that they're putting in their  
19 IDP, and say "In year three of our IDP, we're  
20 going to make this investment. It's going to  
21 go along with a rate that will be proposed in a  
22 rate case at the same time", or something like  
23 that.

24 CMSR. GIAIMO: I'm sorry, a follow-up

1 to Mr. Chung.

2 Mr. Chung, when would you expect your  
3 rate case to conclude? May be a question for  
4 Mr. Fossum, too.

5 MR. CHUNG: Well, we have started  
6 the -- we issued our NOI for the temporary  
7 rates, and we're going to follow that up with  
8 an NOI for permanent. So, I'm guessing our --  
9 the maximum duration could be sometime in the  
10 second quarter of next year, given that the  
11 Commission has the ability to take up to 12  
12 months. So, I think that's the timing we're  
13 looking at.

14 CHAIRMAN HONIGBERG: Circling back to  
15 what Ms. Mineau just said, I don't want to put  
16 words in your mouth, Mr. Chung, but I don't --  
17 I think what you said is not inconsistent with  
18 what Ms. Mineau said.

19 MR. CHUNG: I think they're pretty  
20 much in line. And I think -- and I actually am  
21 hearing a lot of consensus across the room on  
22 rate cases being a critical spot to make final  
23 decisions on rate design, including for IDPs.

24 CHAIRMAN HONIGBERG: "Consensus" is

1 such a nice word.

2 Other thoughts on that topic  
3 specifically?

4 CMSR. BAILEY: Mr. Kreis, is there a  
5 rate design issue that needs to be addressed  
6 that you think won't be addressed in the rate  
7 cases that will be filed this year?

8 MR. KREIS: No. The only sort of  
9 countervailing consideration, I think, is that  
10 to some degree questions of rate design are  
11 directly germane and relevant to the integrated  
12 distribution planning issues. So, it's hard  
13 to -- it would be hard to resolve integrated  
14 distribution planning without at least  
15 articulating some of what the Commission's  
16 expectations are about what you think or what  
17 the agency thinks can be achieved through their  
18 rate design that might lead to maybe different  
19 or fewer recoverable investments.

20 CMSR. BAILEY: So, would you keep  
21 that in mind during a rate case or does that  
22 need to have a separate track?

23 MR. KREIS: I think I'm essentially  
24 agreeing with what I heard Mr. Chung and Ms.

1 Mineau say, in the sense that, you know, rate  
2 design is always at the -- it's omnipresent.  
3 So, yes, we would definitely be hyperaware of  
4 it in the rate cases. To the extent we don't  
5 agree with what the utilities propose in the  
6 rate cases, we'll come up with our own rate  
7 design proposals.

8 But it's something we would also  
9 definitely expect the utilities to talk about  
10 in their integrated distribution planning  
11 reports, because they need to make it clear how  
12 their approach to rate design harmonizes with  
13 their other strategic decisions.

14 CHAIRMAN HONIGBERG: All right. Are  
15 there things that people want to talk about,  
16 having listened to this discussion, that  
17 haven't been raised yet?

18 *[No verbal response.]*

19 CHAIRMAN HONIGBERG: Is Mr. Skoglund  
20 back there? I can't see him. Anything you  
21 want to share with us from your department?

22 MR. SKOGLUND: All set.

23 CHAIRMAN HONIGBERG: All right.  
24 Well, I want to thank you all for humoring us.

1 Oh, I'm sorry. Mr. Epler, I didn't see you  
2 there. Go ahead.

3 MR. EPLER: Yes. Just one other  
4 thing. And we addressed it in our comments, so  
5 I'll be really brief.

6 Just in terms of the timing. We  
7 strongly feel that we will need more time, from  
8 the end of the working group process to when we  
9 file the report. That the three or four months  
10 that's recommended in the Staff Report just we  
11 feel is not sufficient time.

12 CHAIRMAN HONIGBERG: Understood.  
13 Anything else?

14 Commissioner Bailey.

15 CMSR. BAILEY: Mr. Kreis, if we  
16 adopted your recommendation, that you file  
17 testimony on all the issues that you want to  
18 have addressed, and tell us how you would do  
19 that, how long do you think a proceeding like  
20 that would take?

21 MR. KREIS: Well, that's sort of what  
22 I tried to map out in my straw proposal. And,  
23 you know, I'm hoping that it wouldn't play out  
24 the way the net metering docket did. And all I

1 can say is what we're prepared to do. We would  
2 be prepared to file prefiled testimony very  
3 quickly, and then have it resolved as  
4 expeditiously as possible.

5 So, in my letter, I think I  
6 envisioned a process that would wrap up with a  
7 Commission order this coming January. That's  
8 somewhat ambitious, but I think it's doable.

9 CHAIRMAN HONIGBERG: Last call?

10 Mr. Fossum.

11 MR. FOSSUM: Just very quickly. And  
12 I think I'm -- and, you know, to be fair to Mr.  
13 Kreis, he did identify it both in written  
14 comments and just now that the schedule he's  
15 put out is "ambitious" was the word. Quite  
16 frankly, I think it's probably more than  
17 ambitious.

18 And to the extent that there's a --  
19 the Commission is entertaining a schedule like  
20 the one that he's recommended, you know, it's  
21 got a rolling discovery process covering just a  
22 couple of months, for example, before testimony  
23 is even filed. I, for one, have no idea what  
24 that rolling discovery process would look like.

1 That presumes there's no discovery disputes of  
2 any kind.

3 I see, you know, depending on what  
4 that looks like, we are, and I think we made  
5 very clear in our comments, we also believe  
6 that this process can be moved along quickly,  
7 and ought to be moved along quickly. We agree  
8 that this has languished a good long while, and  
9 it's time to move forward.

10 I just wanted to be clear, I don't  
11 know that the schedule that's there, should the  
12 Commission be entertaining that particular  
13 process, is realistic.

14 CHAIRMAN HONIGBERG: I appreciate  
15 those comments, Mr. Fossum. I hope we have  
16 been -- I hope it is apparent that we haven't  
17 decided how best to go forward here. And I  
18 think, if we do decide to put this in, this or  
19 some subset of it, into a litigated process,  
20 there will probably have to be some sort of  
21 structuring conference, either with or without  
22 us, to put a specific schedule together that's  
23 realistic and as efficient as it can be.

24 CMSR. GIAIMO: And considers the

1 other rate cases that will be --

2 CHAIRMAN HONIGBERG: Considering all  
3 of the other things that are going on here.  
4 But I appreciate the comments that you've made.

5 So then, I will also then express  
6 appreciation for everyone's participation here  
7 today. We don't do things like this very  
8 often, if at all. But it was an opportunity  
9 for us to have a discussion in ways that we are  
10 not able to do in most other contexts. And I  
11 appreciate everybody's willingness to do that.

12 Mr. Chung, you wanted to add  
13 something?

14 MR. CHUNG: Yes. Just one quick  
15 follow-up to what Mr. Epler said.

16 So, yes. I am sensitive to the three  
17 utilities having different starting points,  
18 different sets of resources, and different  
19 desired timelines.

20 So, I'd encourage, whatever order  
21 comes out of this process, that you ensure that  
22 the flexibility among the utilities to set  
23 their own timeline. And to the extent some  
24 utilities want to move faster, and with a

1 limited working group dialogue versus the  
2 timeline that maybe Mr. Epler's company would  
3 like to pursue it, I'd like to just encourage  
4 we all have that flexibility.

5 CHAIRMAN HONIGBERG: Thank you, Mr.  
6 Chung.

7 MR. CHUNG: Thank you.

8 CHAIRMAN HONIGBERG: All right. If  
9 there's nothing else, we will adjourn this  
10 hearing, and do whatever we can as quickly as  
11 we can. Thank you.

12 ***(Whereupon the hearing was***  
13 ***adjourned at 11:53 a.m.)***