

**The State of New Hampshire**

**Public Utilities Commission**

**DE 15-464**

**Public Service Company of New Hampshire dba Eversource Energy**

**Petition for Approval of Lease Agreement with Northern Pass Transmission LLC**

**Motion of Kevin Spencer and Mark Lagasse dba Lagaspence Realty, LLC for Leave to File Additional Data Requests Based Upon the Shenehon Appraisal Report Filed September 18, 2017 (Doc. 107)**

Intervenors Kevin Spencer and Mark Lagasse dba Lagaspence Realty, LLC, respectfully request that they be granted leave to file additional data requests based upon the Shenehon Appraisal Report filed September 18, 2017. (Doc. 107). Intervenors proposed data requests are attached below as Exhibit A.

**Memorandum in Support of Motion**

**Status of Case**

The Procedural Schedule provided that intervenors' second round of data requests be filed on or before August 11, 2017. The Shenehon Appraisal Report was not filed until September 18, 2018.

The Appraisal Report includes facts and analysis material to the substantive merits of this docket that should be subject to discovery.

**The Shenehon Appraisal Report Relies Solely Upon Comparable Sales Valuation Methodology**

The Shenehon Appraisal Report provides discussion of the valuation methodology it used to value the Public Service Company of New Hampshire (PSNH) easements and fee owned property subject to the proposed lease to Northern Pass Transmission LLC for the construction of the Northern Pass. At page 74 of the Appraisal Report, the Appraisal Report states: "highest and best use of the property to be appraised provides the foundation for its market value...".

At pages 78-78, the Appraisal Report describes the valuation processes used to arrive at the highest and best use. The processes described include the cost approach; the income approach; and, the comparable sales approach.

The Appraisal Report rejects the cost approach because the subject real estate is appraised as unimproved.

The Appraisal Report rejects the income approach because specific income and expense information had not been provided to Shenehon.<sup>1</sup>

The Appraisal Report, at page 79, states: “Consequently, for this analysis, we prepared only the land sales comparison approach to value for the subject property.” The Shenehon comparable sales analysis mimics the analysis used by the Eversource appraiser Colliers International, the so-called across-the-fence (ATF) method.

**The Shenehon Selection of Comparable Sales Fails to Analyze the Best Comparable Sales: the Acquisition by Eversource of Rights of Way from Dummer to the Canadian Border**

The Appraisal Report includes only easements and fee owned property from Dummer to Deerfield.

The Appraisal Report does not appraise the new right-of way necessary to connect the Northern Pass to Hydro-Quebec infrastructure at the border.

The acquisition of the 40 some miles of new right-of-way between Dummer and Canada provides perfect comparable sales data for the appraisal of the existing “transmission corridor”. The new acquisitions are for the Northern Pass “transmission corridor”, precisely the subject of the Appraisal Report.

The new acquisition comparable sales information is material to the subject matter of this docket and must be subject to discovery.

**Assent/Non-Assent**

Applicants do not assent to this Motion after telephone discussion and email exchanges.

**Wherefore**

Interveners respectfully request that they be permitted to serve the Data Requests set forth below as Exhibit A upon Applicants.

September 29, 2017

Respectfully submitted,

/s/ Arthur B. Cunningham

Arthur B. Cunningham

Attorney for Interveners

PO Box 511, Hopkinton, NH 03229

603-746-2196 (O); 603-219-6991 (C)

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<sup>1</sup> The Appraisal Report notes that the income approach is relevant to the appraisal analysis. The Appraisal Report does not explain why the information was not required of Applicants by Shenehon.

[gilfavor@comcast.net](mailto:gilfavor@comcast.net)

Bar # 18301

Certificate

I certify that this document was filed and served in accordance with the New Hampshire Public Utilities Commission Rules.

September 29, 2017

/s/ Arthur B. Cunningham

Arthur B. Cunningham

**Exhibit A**

**Data Request:**

Please provide information for each and every acquisition of property for the construction of the Northern Pass from Dummer, New Hampshire, to the Canadian border. The information should include the names of the sellers; the names of the buyers; a description of the property; the form of the conveyance, e.g., easement, deed in fee, etc.; and, the purchases price. Please also include a copy of each conveyance as recorded and for instruments not recorded, if any, a copy of the instrument as executed.