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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

May 17, 2021 - 1:34 p.m.

[Remote Hearing conducted via Webex]

**RE: DW 21-022
PENNICHUCK EAST UTILITY, INC.:
Petition for Approval of Proposed
2021 Qualified Capital Project
Annual Adjustment Charge.
(Prehearing conference)**

PRESENT: Chairwoman Dianne H. Martin, Presiding
Commissioner Kathryn M. Bailey
Commissioner Daniel C. Goldner

Doreen Borden, Clerk
Susan Gagne, PUC Remote Hearing Host

APPEARANCES: Reptg. Pennichuck East Utility, Inc.:
James J. Steinkrauss, Esq.
(Rath Young & Pignatelli)

Reptg. PUC Staff:
Christopher R. Tuomala, Esq.
Jayson Laflamme, Asst. Dir./Gas & Water
Douglas Brogan, Engineering Consultant

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

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QUESTIONS BY:

Hearings Examiner Schwarzer 9, 10, 11, 12, 13,
14, 16, 18, 20

STATEMENTS OF PRELIMINARY POSITION BY:

Mr. Steinkrauss 22

Mr. Tuomala 23

QUESTIONS BY:

Hearings Examiner Schwarzer 25, 26, 27, 29

1 the COVID-19 pandemic, pursuant to Order 2020-04,
2 and as subsequently extended.

3 Please note that there is no physical
4 location to observe and listen contemporaneously
5 to this prehearing conference. I confirm that we
6 are utilizing Webex for this electronic
7 prehearing conference, and the public has access
8 to contemporaneously listen and, if necessary,
9 participate in the conference, pursuant to the
10 phone number, which I shall give at the end of
11 this remark, or through the chat function in the
12 Webex system. You can chat with the Webex
13 Moderator.

14 The Commission previously gave notice
15 to the public of the necessary information for
16 accessing the prehearing conference in the Order
17 of Notice. If anyone has a problem at any time,
18 technical, audio, or wishing to participate,
19 please call (603)271-2431. In the event that the
20 public is unable to access the conference, the
21 conference will be adjourned and rescheduled.

22 I want to state for the record that, at
23 the conclusion of this prehearing conference, the
24 parties have a technical session in the same

1 remote Webex link. And, if you wish to
2 participate, please remain in this Webex session.
3 I will not be participating in the tech session,
4 of course.

5 During this proceeding, please mute
6 your microphones, and consider turning off your
7 video if you're not actively participating. It
8 saves bandwidth sometimes and improves the audio
9 function.

10 We are going to start with a roll call
11 attendance. I have a few procedural questions
12 for counsel, and then I will ask each of you to
13 make your substantive summary statements.

14 So, let me start with the roll call
15 attendance with myself. As I said, my name is
16 Mary Schwarzer. I'm a Hearings Examiner and
17 Staff Attorney with the Public Utilities
18 Commission. I'm alone in my remote office. I do
19 have a minor child attending school elsewhere in
20 my remote location.

21 Let me start taking appearances,
22 starting with PEU's counsel, Mr. James
23 Steinkrauss.

24 MR. STEINKRAUSS: Good afternoon, Ms.

1 Schwarzer. My name is James Steinkrauss. I
2 represent PEU in this Petition. I am in my
3 office and alone.

4 HEARINGS EXAMINER SCHWARZER: Could you
5 introduce anyone else who is with you from --

6 MR. STEINKRAUSS: Sure.

7 HEARINGS EXAMINER SCHWARZER: Thank
8 you.

9 MR. STEINKRAUSS: So, I'm here with
10 Larry Goodhue, who is the Chief Executive Officer
11 and Chief Financial Officer; Donald Ware, Chief
12 Operating Officer; and Mr. John Boisvert, Chief
13 Engineer. They all gave -- they will either be
14 providing testimony or have submitted written
15 testimony.

16 Who are also attending is Ms. Carol Ann
17 Howe, Mr. George Torres, and Mr. Jay Kerrigan,
18 but they will not be -- they are attending, but
19 will not be participating.

20 HEARINGS EXAMINER SCHWARZER: Okay.
21 Could you just give me those three names again?

22 MR. STEINKRAUSS: Sure. Carol Ann
23 Howe, George Torres, and Jay Kerrigan.

24 HEARINGS EXAMINER SCHWARZER: And Jay

1 who?

2 MR. STEINKRAUSS: Kerrigan,
3 K-e-r-r-i-g-a-n.

4 HEARINGS EXAMINER SCHWARZER: And what
5 are their titles?

6 MR. STEINKRAUSS: Excuse me a second.

7 MR. GOODHUE: I could assist with that,
8 if you'd like?

9 Carol Ann Howe is the Assistant
10 Treasurer and Director of Regulatory and Business
11 Services; George Torres, T-o-r-r-e-s, is the
12 Corporate Controller and Treasurer and Chief
13 Accounting Officer; and Jay Kerrigan is a Senior
14 Financial Analyst.

15 HEARINGS EXAMINER SCHWARZER: Thank
16 you. And am I correct that all those positions
17 are with PEU? Or, perhaps, Mr. Goodhue, are you
18 the Chief Executive Officer or is Mr. Boisvert
19 with PWW?

20 MR. GOODHUE: All of the individuals
21 are employees of PWW, but hold the exact same
22 roles for all of the subsidiary corporations, as
23 well as the parent corporation itself.

24 HEARINGS EXAMINER SCHWARZER: Great.

1 That's helpful. Thank you very much.

2 It's my understanding that there is
3 no -- there are no intervenors, and that the
4 Office of Consumer Advocate is not participating.

5 So, let me turn to Mr. Tuomala, and ask
6 you to give your appearance, and introduce any
7 Staff who are participating with you today.

8 MR. TUOMALA: Good afternoon, Madam
9 Presiding Officer. My name is Christopher
10 Tuomala. I'm a Staff Attorney here at the New
11 Hampshire Public Utilities Commission on behalf
12 of Staff. Jayson Laflamme, the Assistant
13 Director of the Gas and Water Division, is
14 present on camera here today. Also attending in
15 the audience is engineering consultant Douglas
16 Brogan, who will be joining us for the technical
17 session immediately following this prehearing
18 conference.

19 HEARINGS EXAMINER SCHWARZER: Thank
20 you.

21 I'm going to ask a few procedural
22 questions. And I'll turn to the PEU counsel
23 first to answer. I'm going to put notice
24 separately, because I think the first ones will

1 go quickly.

2 With regard to exhibits, confidential
3 information, or intervenors, I have no
4 information that any of those are applicable
5 here, and I would just ask counsel to confirm
6 that? Mr. Steinkrauss?

7 You're on mute, sir.

8 MR. STEINKRAUSS: We do have some
9 exhibits filed with the Petition. But there
10 is -- I'm not aware of any confidential
11 information or intervenors today.

12 HEARINGS EXAMINER SCHWARZER: Thank
13 you. I know you have exhibits with the Petition.
14 I meant, for this particular proceeding, there's
15 been no notice of that?

16 MR. STEINKRAUSS: No.

17 HEARINGS EXAMINER SCHWARZER: Correct.
18 Thank you. Mr. Tuomala -- Tuomala, sorry.

19 MR. TUOMALA: Thank you. My
20 understanding is the same as Mr. Steinkrauss.
21 There is no petitions for intervention. I didn't
22 receive any emails indicating that anybody was
23 going to be attending today's hearing. And there
24 are no exhibits from either the Company or Staff

1 at this point.

2 And I also am aware that the OCA never
3 filed a letter to -- a letter of appearance in
4 this docket as well.

5 HEARINGS EXAMINER SCHWARZER: Okay.
6 Great. Thank you.

7 I do want to turn to notice. There is
8 a proposed amendment to the Petition. And it
9 wasn't clear to me how notice of that revised
10 March 9th, 2021 notice reached customers?

11 Mr. Steinkrauss.

12 MR. STEINKRAUSS: Sure. We
13 re-advertised the change in the rates pursuant
14 to -- at the same time as the Petition, the
15 amended Petition, on the Company's website.

16 HEARINGS EXAMINER SCHWARZER: Did you
17 do an additional mailing to the customers, as you
18 had done in December?

19 MR. STEINKRAUSS: That's my
20 understanding, yes.

21 HEARINGS EXAMINER SCHWARZER: I'm
22 sorry, you did or you did not?

23 MR. STEINKRAUSS: No, we did.

24 HEARINGS EXAMINER SCHWARZER: You did.

1 And when did that mailing go out to the
2 customers?

3 MR. STEINKRAUSS: I believe it was
4 contemporaneous with the website posting, on --
5 hold on one second -- sorry. I believe it was on
6 the 10th of March.

7 HEARINGS EXAMINER SCHWARZER: March
8 10th. Was that a bill insert?

9 MR. STEINKRAUSS: I believe it was a
10 letter. Mr. Goodhue, it was a letter, I believe?

11 HEARINGS EXAMINER SCHWARZER: A
12 separate letter?

13 MR. GOODHUE: It has to be, because of
14 the re-noticing. Because, if we were going to
15 send it with the bill, then it would have gone
16 over a four-week period of time. And, so, it was
17 a separate mailing that was done by itself.

18 HEARINGS EXAMINER SCHWARZER: Okay.
19 So, Mr. Steinkrauss, I didn't see anything like
20 that in the docket. So, you're representing
21 today that a separate letter went to the
22 customers with the updated March 9th, 2021
23 notice, is that correct?

24 MR. STEINKRAUSS: That's correct.

1 HEARINGS EXAMINER SCHWARZER: Okay.
2 Very helpful. Thank you.

3 And is the revised notice, as you said,
4 with the changes, that's posted on the Company's
5 website as well?

6 MR. STEINKRAUSS: That was posted on
7 the website, yes.

8 HEARINGS EXAMINER SCHWARZER: Thank
9 you.

10 I also wanted to ask if the Executive
11 Director posted the Order of Notice -- we'll get
12 to the Order of Notice now in this. With regard
13 to the Order of Notice, let me start with asking
14 the Company if you posted the Order of Notice on
15 your website?

16 MR. GOODHUE: Yes, we did.

17 HEARINGS EXAMINER SCHWARZER: Okay.
18 And can you tell me the date? Was it --

19 MR. GOODHUE: It's what Mr. Steinkrauss
20 was just talking about. Mr. Ware --

21 MR. WARE: Yes. I can provide the
22 information --

23 *[Court reporter interruption due to*
24 *audio issues.]*

1 MR. GOODHUE: Mr. Patnaude, you can cut
2 out what I said. Mr. Ware is going to fill in
3 the details.

4 MR. WARE: So, two things. The notice
5 was posted on our website on July 9th.

6 HEARINGS EXAMINER SCHWARZER: I'm
7 sorry, what date?

8 MR. WARE: July -- excuse me, I'm
9 sorry, my glasses -- March 9th.

10 HEARINGS EXAMINER SCHWARZER: That's a
11 Tuesday.

12 MR. WARE: The notice was mailed to
13 each customer on -- the mailing went out on
14 Thursday, March 11th.

15 HEARINGS EXAMINER SCHWARZER: You sent
16 the notice to each customer?

17 MR. WARE: Yes.

18 *[Court reporter interruption regarding*
19 *being on mute when not speaking, and a*
20 *brief off-the-record discussion*
21 *ensued.]*

22 MR. WARE: Okay. I am looking at an
23 email from our Customer Service Manager. And
24 with the posting that went on our website, the

1 notice -- the re-notice was posted on the website
2 on Tuesday, March 9th. And the individual
3 mailings to customers went out on Thursday, March
4 11th, according to the email that I have from
5 her.

6 HEARINGS EXAMINER SCHWARZER: Okay.
7 Thank you. And you're talking now about, not the
8 amended customer -- I'm trying to ask about the
9 Order of Notice. I got the answer before about
10 the amended March 9th notice. But was the Order
11 of Notice posted on the Company's website?

12 MR. WARE: I will have to check that.
13 I thought you were asking -- my apologies. I
14 thought you were asking about the, you know,
15 notice to the customers.

16 HEARINGS EXAMINER SCHWARZER: That's
17 okay. At the conclusion of the Order of Notice
18 issued on April 2nd, both the Executive Director
19 and the Company were directed to post the Order
20 of Notice on the website.

21 So, I can only make recommendations.
22 Certainly, I would recommend to the Commissioners
23 that they ask for that question to be answered.
24 But, perhaps, by the time -- if you answer it

1 into the docket by the time it gets to them, that
2 will be moot, you will have answered it already.

3 Let me also ask Staff, if Staff -- if
4 the Executive Director posted the Order of Notice
5 to the Commission's website? Mr. Tuomala.

6 MR. TUOMALA: According to the PUC's
7 website, it's in docketbook under 21-022 as the
8 Order of Notice. In the "Order of Notice" tab,
9 it is separately noticed for April of 2021 for
10 this proceeding.

11 As far as it being posted on the front
12 page of the Commission's website, and the date to
13 which it was, I don't have any indication of
14 when, if that was posted the day immediately
15 following the issuance of this Order of Notice.

16 HEARINGS EXAMINER SCHWARZER: Thank
17 you. Perhaps Staff could also file an update on
18 that, just because the Order of Notice required
19 that. It didn't require notice in the docket.
20 But, since we don't have answers right now, if
21 you could -- if both parties could answer that
22 question.

23 I have another question about the Order
24 of Notice that may well be easily addressed.

1 But, Mr. Tuomala, since this isn't your Order of
2 Notice, it may be in the parties' interest to
3 call that Order of Notice up so you can look at
4 it.

5 My question has to do with one of the
6 final sentences in the Order of Notice, at Page
7 2. This is the Petition for Approval of the 2021
8 QCPAC. My understanding is that that would be
9 based on the 2020 capital projects. And, on Page
10 2 of the Order of Notice, there's a sentence that
11 says "The filing raises, *inter alia*, issues
12 related to whether the plant additions PEU
13 constructed in 2019 are prudent, as well as used
14 and useful," and goes on to cite the appropriate
15 statute.

16 I believe that the date is incorrect.
17 And I'll ask counsel, Staff counsel and PEU
18 counsel to confirm that?

19 MR. STEINKRAUSS: Yes. That's correct.
20 It should be "2020".

21 MR. TUOMALA: Staff confirms that. It
22 is supposed to be "2020".

23 HEARINGS EXAMINER SCHWARZER: Do you
24 have a proposal for how we should move forward to

1 correct the Order of Notice? Do parties want to
2 take a moment?

3 I will offer that, from where I'm
4 sitting, while I can understand that "2019" may
5 well have been a typographical error, and I know
6 that, under the PUC rules, the Executive Director
7 can correct that, a layperson I think might
8 understandably see this as a more substantive
9 error. It's the "2020 projects", not the "2019
10 projects".

11 I haven't considered whether other
12 parts of the Order of Notice or the Petition make
13 it more likely than not that it's a typographical
14 error. What do the parties suggest?

15 MR. WARE: So, if I might note, the
16 notice that was mailed individually to the
17 customers is very specific, and notes that the
18 filing is "the requested QCPAC surcharge will
19 allow Pennichuck to recover the costs associated
20 with the debt financing of the QCPs placed in
21 service during 2020."

22 So, I think the notice that went to the
23 customers was clear, certainly, and was
24 appropriately worded. Unfortunately, it appears

1 that the Order of Notice that was prepared by
2 whomever reflected the wrong year, you know, that
3 we're looking to recover on.

4 HEARINGS EXAMINER SCHWARZER: Well, I
5 certainly agree with that. And the question
6 becomes, for Staff, I suppose, but also for the
7 Company, whether this remedy requires a reissuing
8 of the Order of Notice or not?

9 MR. TUOMALA: I would argue against it,
10 because, essentially, we have notice given to the
11 world of customers from PEU in the form of a
12 customer insert, and if they can verify that,
13 which they have on the record today, which
14 clarified that errata. I would not reissue. I
15 would be comfortable with reissuing a single page
16 to highlight the change in the date as an
17 editorial mistake.

18 But to reissue the Order of Notice by
19 itself would probably restart the clock for
20 everybody. And I don't think that we would gain
21 any potential intervenors on that mistake itself,
22 since what they actually got in hand, and judging
23 by my interactions with the Company, the
24 customers are probably more apt to look at the

1 customer insert and the website than they would
2 to parse through a PUC Order of Notice.

3 That, in the end, if you want to issue
4 a clarification of that date, that's fine. But I
5 would argue against issuing the Order of Notice
6 itself, and its effect of law or restarting the
7 clock and having to have another prehearing
8 conference at this time.

9 MR. GOODHUE: And, from the Company's
10 perspective, could I offer this up,
11 Ms. Schwarzer?

12 You know, one of the key things that we
13 want to make sure is that we properly notice
14 customers, but that we also don't confuse
15 customers, that we don't confuse customers. You
16 know, you send another notice out, they think
17 that another new process has started. They
18 already got a notice that told them what was
19 going on.

20 And, in the world we live in right now,
21 I'm stating an opinion here, people are more apt
22 to read what is sent directly to them versus
23 what's published in the newspaper. And that I
24 think a lot of people don't even look at the

1 newspaper anymore, but we do that to be in
2 compliancy with the regulations.

3 So, instead of sending out something
4 that is a clarifier, it actually may be a
5 confuser instead.

6 HEARINGS EXAMINER SCHWARZER: Let me
7 ask the parties whether, consistent with what I'm
8 hearing, your positions are that actual notice to
9 the individual approximate 8,000 customers have
10 been achieved through PEU's letter, what would
11 your position be, and I heard Staff saying that
12 filing a one-page update would be appropriate
13 into the docket, what would your position be with
14 regard to posting that one-page update to your
15 respective websites, consistent with the original
16 direction in the Order of Notice?

17 MR. GOODHUE: The Company would have no
18 objection to doing that.

19 HEARINGS EXAMINER SCHWARZER: Staff?

20 MR. TUOMALA: Staff doesn't have any
21 objection to that. And, if I may, I'd like to
22 add as well that, substantively, the clerical
23 mistake of "2019" to "2020" I don't think
24 produces that much in terms of impact on

1 customers, because the 2019 capital projects, in
2 terms of dollar value, aren't the same as the
3 2020, but they're not remarkably different, where
4 it would trigger someone to say "Hey, I'm looking
5 at a huge rate increase at this point, since it's
6 2020 projects versus 2019 projects." And being
7 intimately familiar with the 2019 projects, I can
8 state that. That it's not -- we're not talking
9 orders of magnitude in the differences.

10 And I'll look to the Company to verify
11 that. It looks like Mr. Goodhue is shaking that
12 he agrees with me.

13 MR. GOODHUE: The 2019 projects were
14 probably, you know, 900,000 to a million, and
15 then the 2020 projects were 1.2 million or
16 something like that. It is not an order of
17 magnitude that is different.

18 HEARINGS EXAMINER SCHWARZER: Thank
19 you. Does anyone wish to be heard further on
20 that particular aspect of the Order of Notice?

21 *(Atty. Tuomala indicating in the*
22 *negative.)*

23 HEARINGS EXAMINER SCHWARZER: Okay. Is
24 there anything else that we need to address,

1 before counsel makes the preliminary statements
2 regarding substantive matters in this docket?

3 MR. TUOMALA: None from Staff.

4 HEARINGS EXAMINER SCHWARZER: Thank
5 you. Mr. Steinkrauss.

6 MR. STEINKRAUSS: Good afternoon.

7 So, Pennichuck East Utility has filed a
8 Petition for approval of its 2021 QCPAC petition.
9 The Petition asks for three particular items.
10 First, final approval of the QCPAC surcharge,
11 based upon eligible projects and amounts expended
12 for capital projects in 2020; the preliminary
13 approval of the capital budget for 2021; and,
14 three, provide information on the Commission
15 regarding the Company's forecasted capital budget
16 expenditures for 2022 and 2023, informational
17 only.

18 The Company estimates that the QCPAC
19 surcharge is 4.08 percent. That, when added to
20 the rates sought in Docket Number DW 20-156, with
21 an average monthly single-family bill is
22 projected to be \$85.40. The projected 4.08
23 percent 2021 PEU QCPAC will result in an increase
24 of approximately \$3.49 per month or a projected

1 average monthly bill of \$88.89.

2 The Company also requests that the 4.08
3 percent QCPAC surcharge will be recouped with a
4 service-rendered basis back to July 2021.

5 That's all I have.

6 HEARINGS EXAMINER SCHWARZER: Mr.
7 Tuomala.

8 MR. TUOMALA: Thank you, Ms. Presiding
9 Officer.

10 Staff has begun reviewing the Company's
11 filing, and understands that it is requesting an
12 additional 4.08 percent surcharge, reflective of
13 capital improvements completed and used and
14 useful through the end of calendar year 2020.
15 The Company is also requesting preliminary
16 approval of its 2021 capital improvement budget,
17 and that's estimated at \$2,718,500.

18 Staff also notes that the Company again
19 has requested inclusion of the interest incurred
20 on its short-term line of credit within its
21 yearly financing through CoBank, which pays its
22 line of credit. As stated in prior Staff
23 recommendations, however, that request is better
24 reviewed in the light of the CoBank financing

1 petition itself, projected to be filed, I had on
2 here "later this year", but I believe it came in
3 today. So, that CoBank financing has been filed
4 at this point.

5 Staff lastly notes that the Company is
6 currently undergoing a rate proceeding in Docket
7 Number DW 20-156, in which it seeks in that
8 proceeding a 21.05 percent increase in annual
9 revenues.

10 Staff looks forward to discussing the
11 issues of this Petition with the parties in the
12 following technical session. Staff circulated a
13 proposed procedural schedule before this hearing,
14 and anticipates following up, after agreement
15 with the parties, a proposed procedural schedule
16 for the Commission's approval.

17 Thank you.

18 HEARINGS EXAMINER SCHWARZER: I do have
19 some questions. But I want to ask, at this time,
20 if there are any members of the public who wish
21 to provide comments, either on the Petition or
22 expectations going forward?

23 I don't believe there are any members
24 of the public in attendance. But I will remind

1 anyone who may be listening that, if you wish to
2 participate, you need to call the Commission at
3 (603)271-2431, or send a chat to the Web
4 Moderator, within the next five minutes, as this
5 prehearing conference may soon conclude.

6 I do have some questions that I wanted
7 to raise. With regard to the matters at issue in
8 this Petition, I'll ask that the Company answer
9 first and then Staff, it's my understanding that
10 the Company is seeking approval of the 2020
11 projects as eligible for the QCPAC projects --
12 or, excuse me, the QCPAC mechanism, and that the
13 Company is asking that those projects be found
14 prudent and used and useful. Is that correct?

15 MR. STEINKRAUSS: Yes. That's correct.

16 HEARINGS EXAMINER SCHWARZER: And that
17 you're also seeking approval of the 2021
18 surcharge as prudent. Correct?

19 MR. STEINKRAUSS: That's correct.

20 HEARINGS EXAMINER SCHWARZER: And
21 you're seeking preliminary approval of the 2021
22 capital project expenditures as perhaps
23 reasonable, but that's not a prudency review?

24 MR. STEINKRAUSS: No.

1 HEARINGS EXAMINER SCHWARZER: And then,
2 the informational PEU forecast of the '22/'23
3 capital project expenditures, I'm not clear about
4 whether the Company continues to seek authority
5 for PEU to pay the interest incurred on the fixed
6 asset line of credit each year by incorporating
7 the interest into the amount borrowed in this
8 Petition, or perhaps Staff is indicating that's
9 going to be addressed in a different petition?

10 MR. STEINKRAUSS: So, it is requested
11 in the Petition, and it was approved initially in
12 DW 19-035. But it will be handled, my
13 understanding, in the CoBank petition, which was
14 filed today.

15 HEARINGS EXAMINER SCHWARZER: And I
16 apologize. I'm just not clear on what that
17 request remains in this Petition?

18 MR. STEINKRAUSS: I guess I -- the
19 FALOC interest is included this.

20 MR. GOODHUE: The Company has --

21 MR. STEINKRAUSS: The FALOC interest is
22 included within the Petition, the QCPAC, as
23 eligible. My apologies.

24 HEARINGS EXAMINER SCHWARZER: Okay.

1 Then, I'm sorry, I'm not understanding how this
2 new filing is going to address that better? Or,
3 will the current Petition defer to that new
4 filing?

5 MR. STEINKRAUSS: The new filing is
6 referred to in the existing Petition, which is
7 the CoBank loan, which, basically, essentially
8 refinances the short-term borrowing over a
9 30-year period.

10 HEARINGS EXAMINER SCHWARZER: Okay.

11 MR. STEINKRAUSS: So, the prior order
12 didn't allow the FALOC as an includable interest
13 expense.

14 However, it is an issue that I'm happy
15 to talk to Staff about going forward, and
16 amending the Petition, if necessary.

17 HEARINGS EXAMINER SCHWARZER: I just
18 wanted to clarify that it remains in
19 Paragraph, I think, 18 of the Petition, and
20 that's fine.

21 MR. STEINKRAUSS: Yes.

22 HEARINGS EXAMINER SCHWARZER: I just --

23 MR. STEINKRAUSS: For now, yes.

24 HEARINGS EXAMINER SCHWARZER: Okay.

1 And is there a position at this time as to
2 whether Staff anticipates this being handled on a
3 *nisi* basis?

4 MR. TUOMALA: I'm sorry. For
5 clarification, do you mean this QCPAC proceeding?
6 How it --

7 HEARINGS EXAMINER SCHWARZER: Yes.

8 MR. TUOMALA: In terms of resolution at
9 this point, Staff's position is that it would be
10 a *nisi* order, a Staff recommendation, followed by
11 a *nisi* order in this proceeding.

12 HEARINGS EXAMINER SCHWARZER: Okay.
13 Thank you.

14 There was a requested timeframe, I
15 believe recoupment remains July 31st, 2021, is
16 that correct?

17 MR. STEINKRAUSS: Yes. That's correct.
18 Oh, sorry. Mr. Goodhue.

19 HEARINGS EXAMINER SCHWARZER: Did you
20 wish to be heard?

21 MR. GOODHUE: That date is based upon
22 the date on which the financing will actually
23 close. It is a target date. The financing
24 petition that we filed today actually is

1 requesting an order be issued by the end of June,
2 with the 30-day effective period making it
3 effective by the end of July, and we would close
4 within days of that. We cannot close until we
5 have an order that is fully in force and effect.

6 So, it is a placeholder at this point
7 in time, but that is our expectation as to the
8 approximate timing.

9 HEARINGS EXAMINER SCHWARZER: Thank
10 you. Sorry, I was on mute there.

11 And there's a reference in the
12 Petition, I believe, to an SRF, interest accruing
13 in June of 2021. Is that still the case?

14 MR. STEINKRAUSS: Yes.

15 HEARINGS EXAMINER SCHWARZER: Okay.

16 You touched on this earlier. These are
17 my last few questions. There's a pending, I
18 think, February 2020 QCPAC filing. I don't
19 believe an order has been issued in that
20 proceeding as yet. Does that impact anything,
21 any position of the parties on the Petition or
22 the Order of Notice at this time?

23 MR. STEINKRAUSS: Yes. The Staff
24 recommendations had set forth, and in

1 consultation with the Company, a number of
2 proposed revisions or changes to the existing
3 settlement in DW -- my apologies -- DW 138, or
4 19-138, that we discussed, specifically
5 addressing the inclusion of the interest as
6 eligible, and also potential scheduling issues
7 and filing for updates. So that, once the order
8 is issued in 20-019, we do anticipate potentially
9 amending the Petition to address those requests
10 to the Commission.

11 HEARINGS EXAMINER SCHWARZER: Okay.
12 But, at this time, there's no further changes,
13 correct?

14 MR. STEINKRAUSS: Yes. That's correct.

15 HEARINGS EXAMINER SCHWARZER: Okay.
16 Okay. Is there anything that you
17 believe the Commission should consider with
18 regard to timing, the impact of either -- well,
19 you've discussed 20-119 [20-019?], the general
20 rate case, 20-156?

21 MR. STEINKRAUSS: With respect to this
22 Petition?

23 HEARINGS EXAMINER SCHWARZER: Correct.

24 MR. STEINKRAUSS: Or all the pending --

1 yes.

2 HEARINGS EXAMINER SCHWARZER: No, no.
3 Just this Petition.

4 MR. STEINKRAUSS: Oh, sorry. No, I
5 don't have anything at this time.

6 HEARINGS EXAMINER SCHWARZER: Great.
7 Okay. You've answered all my questions.

8 Are there any other comments any party
9 wishes to make?

10 *(Atty. Tuomala indicating in the*
11 *negative.)*

12 HEARINGS EXAMINER SCHWARZER: Then, I
13 will thank you for your presentations this
14 afternoon. I will leave you to your technical
15 session. And this prehearing conference is
16 adjourned.

17 ***(Whereupon the prehearing conference***
18 ***was adjourned at 2:07 p.m., and a***
19 ***technical session was held thereafter.)***

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