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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

July 7, 2022 - 1:32 p.m.
21 South Fruit Street
Suite 10
Concord, NH

RE: DE 22-027
NEW HAMPSHIRE TRANSMISSION, LLC:
Petition for Authority to Construct,
Own, Operate and Finance Additional
Transmission Equipment in Seabrook,
New Hampshire.
(Prehearing conference)

PRESENT: Cmsr. Pradip K. Chattopadhyay, Presiding
Cmsr. Carleton B. Simpson

Tracey Russo, Clerk

APPEARANCES: Reptg. New Hampshire Transmission, LLC:
Douglas L. Patch, Esq. *(Orr & Reno)*
Richard Allen, President/NHT
Corinne DiDomenico, Project Manager

Reptg. New Hampshire Dept. of Energy:
Matthew C. Young, Esq.
David K. Wiesner, Esq.
Jay Dudley, Analyst/Electric Group
(Regulatory Support Division)

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

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I N D E X

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ADDITIONAL INFORMATION REQUESTED:

RECORD REQUEST: 17, 18

(Please estimate the impact of the Project with respect to the costs due to New Hampshire ratepayers.)

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P R O C E E D I N G

CMSR. CHATTOPADHYAY: I am Commissioner Chattopadhyay. And I will be conducting today's proceeding, as Chairman Goldner is not available. I'm joined today by Commissioner Simpson.

We are here this afternoon in Docket DE 22-027 for a prehearing conference regarding the Petition by New Hampshire Transmission for approval of authority to construct, own, operate, and finance additional transmission equipment, including capacitor banks, breakers, switches, bus work, aboveground electric lines, control house, protection control, communication, and other pertinent infrastructure adjacent to the transmission substation in Seabrook, New Hampshire. This adjudicative proceeding commences by the Commission Order in this docket dated June 8th, 2022.

Without further adieu, let's start with the appearances, for the Company first?

MR. PATCH: Good afternoon, Commissioners. Doug Patch, with the law firm of Orr & Reno, and I'm appearing here this afternoon on behalf of New Hampshire Transmission, LLC.

1 And with me at the table are Richard Allen, who
2 is the President, and Corinne DiDomenico, who is
3 the Project Manager.

4 CMSR. CHATTOPADHYAY: Thank you. DOE?

5 MR. YOUNG: Good afternoon,
6 Commissioner. My name is Matthew Young,
7 appearing on behalf of the Department of Energy.
8 And with me today is Attorney David Wiesner,
9 serving as co-counsel, and as well as Jay Dudley,
10 Electric Analyst in the Regulatory Division.

11 CMSR. CHATTOPADHYAY: Thank you. Are
12 there any preliminary matters that we need to
13 deal with?

14 MR. PATCH: Maybe just to note, in
15 compliance with the Order that had been issued by
16 the Commission, we have come up with a procedural
17 schedule that we have agreed upon that we'd be
18 happy to present to you at the appropriate time.

19 CMSR. CHATTOPADHYAY: Sure. So, with
20 that, I'm going to let you guys go with the
21 preliminary positions. So, I'll start with the
22 Company.

23 MR. PATCH: Great. Thank you,
24 Commissioners.

1 I mean, it's pretty much, our
2 original -- or, the statement of our preliminary
3 position is pretty much as you have already
4 indicated. We are here this afternoon to seek an
5 extension, not a huge extension, but an extension
6 of the authority of NHT, as a public utility in
7 the State of New Hampshire, in order to be able
8 to construct, operate, and then finance this
9 Project on the site of the Seabrook nuclear
10 facility, adjacent to the transmission
11 substation, which is located there.

12 As you probably recall, and as was
13 noted in the Order that you issued establishing
14 this particular docket, the NHT, or its
15 predecessor in interest, actually, FPL-NED, New
16 England Division, was established as a public
17 utility back in 2004, pursuant to a settlement
18 agreement that was approved by the Commission.
19 We attached a copy of that settlement agreement
20 to our Petition when we submitted it, because
21 it's sometimes hard to find without going back to
22 Archives. And that settlement agreement,
23 approved by the Commission, gave NHT's
24 predecessor the authority to act as a public

1 utility in the State of New Hampshire, subject to
2 certain conditions.

3 It's a very unique public utility,
4 because it has no rates that are regulated by the
5 Commission, because it is a transmission
6 facility. But, at the time, the FERC had
7 required, I believe, that NextEra, the parent
8 company, come to the Commission and get authority
9 to be able to create the transmission substation
10 as a separate entity. And, so, that's what was
11 done at that point in time.

12 Since then, a number of times the
13 Commission has been presented with financing
14 requests from NHT. In 2010, the transfer was
15 made of the transmission substation from FPL-NED
16 to NHT, and then there have been financings that
17 have been done over the years. Those have
18 typically been done through *nisi* orders. The
19 Commission -- NHT would present the financing it
20 was requesting approval for. It would be
21 reviewed at that time by PUC Staff. They would
22 make a recommendation to the Commission, and then
23 the Commission, you know, would typically approve
24 the financing through a *nisi* order.

1 And, so -- but this is the first time
2 since then that we have come back to you to ask
3 for an extension of the authority. And, again,
4 it's a very limited extension, because it's
5 really only requesting that the authority be
6 extended to include this new capacitor bank
7 facility that would be adjacent to the
8 transmission substation.

9 We advertised this, published the
10 notice of the proceeding today, as required by
11 the Commission. There were no intervenors that
12 submitted a request to intervene. And, also, I
13 think it's interesting to note, and the
14 Commission noted this in the order, NHT has filed
15 with the Site Evaluation Committee for approval
16 from them for this Project, the separate approval
17 that's needed from them. And, in conjunction
18 with that, there was a Public Information Session
19 that was held in Seabrook on December 1st. At
20 the time, and that was before the Site
21 Evaluation -- not the Site Evaluation Committee,
22 but it's actually a predecessor to filing an
23 application or a petition with them. And, so, we
24 held that. And there was a transcript created,

1 which we'd be happy to provide to you, if you
2 would like it. But there was really no
3 opposition in the Town of Seabrook to it either.

4 So, it's, in my mind at least, a
5 non-controversial project. It's being done
6 because the ISO believes that, in order to
7 enhance reliability, this kind of work has to be
8 done there. And, so, we're here before you to
9 ask for your approval of that.

10 Thank you.

11 CMSR. CHATTOPADHYAY: Thank you.

12 Attorney Matthew Young.

13 MR. YOUNG: Thank you, Commissioner.

14 The Department has reviewed the filing.
15 And we look forward to working with the Company
16 to address any relevant questions, and clarify
17 the factual context for the record.

18 As previously mentioned, we will
19 continue to discuss with them the development of
20 a procedural schedule. And, given the Company's
21 interest in having this Petition approved by
22 September, we would propose any hearing be
23 scheduled the week of August 22nd.

24 CMSR. CHATTOPADHYAY: Thank you. I

1 think, for the procedural schedule, because you
2 have the technical session after this, just make
3 sure you file it, and we will decide.

4 MR. YOUNG: Okay.

5 MR. PATCH: Would you like a copy of
6 that right now, or would you rather have us file
7 it?

8 CMSR. CHATTOPADHYAY: What I meant was,
9 it would be good if you file it.

10 MR. PATCH: Okay.

11 CMSR. CHATTOPADHYAY: Yes. So, let's
12 go to the Commissioners' questions. And
13 Commissioner Simpson.

14 CMSR. SIMPSON: Thank you, Commissioner
15 Chattopadhyay. Just a few questions for the
16 Company.

17 You mentioned that the predecessor in
18 interest, NextEra-New England Division,
19 transferred ownership to New Hampshire
20 Transmission, LLC. Can you just explain what
21 factors led to changing ownership from one entity
22 owned by NextEra parent to another?

23 MR. PATCH: Well, the original
24 Applicant was FPL, --

1 CMSR. SIMPSON: Uh-huh.

2 MR. PATCH: -- Florida Power & Light,
3 NED, you know, which Florida Power & Light is a
4 utility in State of Florida. And I think,
5 subsequent to 2004, NextEra's corporate structure
6 changed fairly significantly. And, as a result
7 of that, for a number of reasons, I think it made
8 more sense for it to be a separate affiliate from
9 the utility in Florida. And, so, New Hampshire
10 Transmission, LLC, was created at that point in
11 time. And, then, we came before the Commission,
12 as I said, I think it's 2010, we had a citation,
13 I think, in our Petition to the actual case that
14 came before this Commission.

15 CMSR. SIMPSON: Okay. And I think I
16 misspoke, "FPL-NED, "okay, was the predecessor in
17 interest. Thank you.

18 Would the Company be able to help
19 articulate some of the findings from ISO-New
20 England that led to the selection of this
21 Project, from a reliability perspective, by the
22 RTO?

23 MR. ALLEN: Sure, be happy to. So, the
24 ISO-New England periodically conducts reliability

1 assessments throughout its service area. And
2 they conducted one back in 2019 that determined
3 there were reliability concerns within southern
4 New Hampshire and into Maine. What they
5 specifically found is, under certain
6 contingencies, there were low-voltage conditions
7 that existed at a number of different substations
8 located in these areas, one of those substations
9 was Seabrook.

10 Upon that finding, the ISO reached out
11 to the incumbent transmission owners to help
12 identify solutions that could help mitigate that
13 problem. When ISO did that, they reached out to
14 us, sharing with us some of the solutions that
15 they found, and asking us to provide some
16 estimates to them. And, so, that's ultimately
17 how we got to where we are.

18 CMSR. SIMPSON: Okay. Thank you.
19 That's helpful.

20 And Attorney Patch mentioned that there
21 was a public session held in Seabrook, presumably
22 for some community outreach, to inform the
23 community about the Project, and receive any
24 feedback. Is that a fair assessment?

1 MR. PATCH: That's fair. Under the
2 Site Evaluation Committee process, as laid out in
3 the statute, before you make a filing with them,
4 at least -- I believe it's at least 30 days
5 before, you have to hold a Public Information
6 Session in the host community, and, you know,
7 essentially lay out what the Project is, and take
8 questions from the public. And, so, that's what
9 we did at that point in time.

10 CMSR. SIMPSON: And just to make sure
11 I'm clear, there was no public opposition to the
12 Project at that time?

13 MR. PATCH: There was no opposition.
14 There were a few questions about --

15 CMSR. SIMPSON: Uh-huh.

16 MR. PATCH: -- about the location, and
17 about potential visibility, and we answered those
18 questions.

19 And, anyway, and, in addition to that,
20 I guess it would be useful, certainly, for the
21 Commission to know that the Site Evaluation
22 Committee has established a hearing date for the
23 Petition that has been submitted to them in
24 relation to this Project, that's going to be on

1 Monday night, July 25th, in Seabrook.

2 And, so, the Town's been very
3 cooperative in terms of finding a site and so
4 forth.

5 CMSR. SIMPSON: And is that at the
6 power plant or --

7 MR. PATCH: No. It's actually at the
8 Recreation Center, on Route 1, --

9 CMSR. SIMPSON: Oh, okay.

10 MR. PATCH: -- in Seabrook, you know,
11 which is where it's going to be held.

12 CMSR. SIMPSON: And, in terms of the
13 proposed location for the added facilities, I
14 have a little bit of awareness of the area,
15 because I live in one of the adjacent towns. Can
16 you help explain to me, with respect to the
17 access to the plant, where this new facility
18 would be located?

19 MS. DiDOMENICO: So, the site is
20 proposed to be in a current parking lot on the
21 Seabrook Power Station site, as mentioned before,
22 adjacent to the transmission substation. It's
23 about a two-acre site on the parking lot,
24 existing parking lot. It's located on I think

1 it's called the "North Access Road", accessible
2 from Route 1, but, again, on the power plant site
3 property.

4 CMSR. SIMPSON: Okay. And, really, my
5 final question, I'm just curious, Mr. Allen, did
6 you travel here from Florida today?

7 MR. ALLEN: No, I did not. I actually
8 live in New York.

9 CMSR. SIMPSON: Okay.

10 MR. ALLEN: So, we came in last night.

11 CMSR. SIMPSON: Well, I appreciate
12 having witnesses that appear in person. So,
13 despite that, appreciate the opportunity to speak
14 to you in person.

15 MR. ALLEN: Thank you.

16 CMSR. SIMPSON: I don't have any
17 further questions, Commissioner Chattopadhyay.
18 Thank you.

19 CMSR. CHATTOPADHYAY: Thank you,
20 Commissioner Simpson. I just have, like, a
21 couple of questions.

22 One of them, can you just provide me a
23 good sense of the financing behind it? I mean,
24 my understanding is there's already -- there's a

1 pot of money that has been approved, but you're
2 going to use the same pot, part of it, to get
3 this done.

4 So, can you confirm that my
5 understanding is correct?

6 MR. PATCH: Yes. Mr. Allen could
7 provide perhaps a little more detail, but, yes.
8 I'm trying to think, I think it was originally
9 2018. And, again, we have the citations in our
10 Petition, but the Commission approved a financing
11 for some updates to equipment at the substation.
12 And NHT didn't have to use all of that money. We
13 got an extension approved, maybe a year and a
14 half ago or so, for the timeframe within which we
15 had to use that money. And, so, now, we're
16 asking for a further extension, because, again,
17 there's, we believe, enough money there to be
18 able to accommodate this Project.

19 And, Mr. Allen, I don't know if you
20 want to add to that.

21 MR. ALLEN: Yes. The only thing I'll
22 add is that, of the funding that was approved, we
23 have 13 million still as headroom left, which is
24 more than sufficient to finance the Project, you

1 know, at the cap structure that we're, you know,
2 planning.

3 CMSR. CHATTOPADHYAY: The second
4 question, I guess this is going to be part of the
5 Pool, you know, Transmission Tariff, right?

6 MR. ALLEN: That's right.

7 CMSR. CHATTOPADHYAY: Ultimately?

8 MR. ALLEN: Yes.

9 CMSR. CHATTOPADHYAY: So, can you give
10 us a sense of what the impact would be on New
11 Hampshire customers?

12 MR. ALLEN: I don't have that handy.
13 So, I'm sorry, I can't give you the exact number.
14 But that's something we can follow up with.

15 CMSR. CHATTOPADHYAY: Okay. I mean, I
16 was simply looking for a rough number. But you
17 don't have it at this point?

18 MR. ALLEN: Yes. So, of course,
19 there's an allocation across all of the customers
20 in New England. And I just don't know what it is
21 offhand for New Hampshire specific.

22 CMSR. CHATTOPADHYAY: How quickly can
23 you provide that information, if we have a record
24 request?

1 MR. ALLEN: Definitely within two
2 weeks.

3 CMSR. CHATTOPADHYAY: Let's do that.
4 So, basically, please estimate the impact of the
5 Project on the cost borne by New Hampshire
6 customers.

7 And, if you think I wasn't clear
8 enough, then we can change the wording a bit,
9 but --

10 MR. ALLEN: No, I think we have that.
11 Yes.

12 CMSR. CHATTOPADHYAY: Yes. So, I think
13 that's all I have.

14 Do we have anything else that pops up,
15 because of the questions we have asked? Anybody
16 has any thoughts?

17 *[No verbal response.]*

18 CMSR. CHATTOPADHYAY: No? Okay. Do
19 you?

20 CMSR. SIMPSON: I would just
21 respectfully reiterate the request, so --

22 CMSR. CHATTOPADHYAY: Okay.

23 CMSR. SIMPSON: -- to ensure we've
24 captured it.

1 CMSR. CHATTOPADHYAY: Okay.

2 CMSR. SIMPSON: I've written it down as
3 "Please estimate the impact of the Project with
4 respect to the costs due to New Hampshire
5 ratepayers."

6 CMSR. CHATTOPADHYAY: Yes. Thank you.

7 *(Record request made.)*

8 CMSR. SIMPSON: And we'll say -- let's
9 say "Friday, July 22nd" as the date, and that's
10 two weeks and a day. Just for completeness.

11 CMSR. CHATTOPADHYAY: Yes. Thanks.

12 That's why it's good to be part of a team.

13 So, thank you. And we will let the
14 parties proceed to the technical session. And
15 thank you very much for your time. The
16 prehearing conference is adjourned.

17 ***(Whereupon the prehearing conference***
18 ***was adjourned at 1:50 p.m., and a***
19 ***technical session was held thereafter.)***

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