

THE STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire
Petition for Increase to Short Term Debt Limit and to Issue Long Term Debt

Docket No. DE 09-033

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE'S
OBJECTION TO
CONSERVATION LAW FOUNDATION'S
MOTION TO COMPEL RESPONSES TO DATA REQUESTS

Pursuant to Rule Puc §203.07(e), Public Service Company of New Hampshire (hereinafter "PSNH" or "the Company") hereby objects to the "Motion to Compel PSNH's Responses to Data Requests" (the "Motion to Compel") filed by Conservation Law Foundation, Inc. ("CLF"). The information sought by CLF is outside of the scope of this proceeding as set forth in Order No. 24,979. The information sought by CLF is neither relevant nor material to this proceeding. The information sought by CLF is not reasonably calculated to lead to evidence admissible in this proceeding.

In support of this Objection, PSNH says the following:

I. Introduction

This proceeding involves a routine request by PSNH for approval to issue long term debt securities necessary for the Company to provide public utility service throughout New Hampshire using a capital structure deemed reasonable and prudent by the Commission. If this financing is disapproved or unduly delayed, PSNH could bump-up against its current short-term debt limit as soon as October. PSNH would then be forced to curtail spending and/or seek additional infusions of higher-cost equity financing from its parent -- negatively impacting the Company's ability to provide reliable and economic service to the majority of this state.

PSNH filed its request for financing approval in February, seeking the authority necessary to access the markets as early as the second quarter of this year. It is now August, and a substantive hearing on PSNH's application is still in the future.

The initial reason for this delay was the question regarding the scope of this proceeding. The gist of that scoping issue was to what extent, if any, would matters related to the construction of the wet flue gas desulphurization system (the “Scrubber”) at Merrimack Station mandated by 2006 N.H. Laws 105 (RSA Chapter 125-O:11, *et seq.*) be considered in this financing proceeding. That issue was resolved by the issuance of Order No. 24, 979 on June 19, 2009. In that Order, the Commission unequivocally held:

ORDERED, that in our review of PSNH’s financing request in this docket we shall not consider evidence concerning whether the use of the financing proceeds for the scrubber is for the public good or whether there are reasonable alternatives to installation of a wet flue gas desulphurization system at PSNH’s Merrimack Station;

Order No. 24, 979, *slip op.* at 19.

As part of the basis for reaching this decision, the Commission noted that:

In the instant case...the scrubber installation at Merrimack Station does not reflect a utility management choice among a range of options. Instead, installation of scrubber technology at the Merrimack Station is a legislative mandate, with a fixed deadline. *See* RSA 125-O:11, I, II; RSA 125-O:13, I. The Legislature, not PSNH, made the choice, required PSNH to use a particular pollution control technology at Merrimack Station, and found that installation is “in the public interest of the citizens of New Hampshire and the customers of the affected sources.” RSA 125-O:11, VI.

Id. at 15.

The Commission also concluded that:

[T]he Commission’s review of the financing to be used for construction of the scrubber technology at Merrimack Station cannot serve to undo the statutory purpose set out in RSA 125-O:11-18. Given this legislative framework, the scope of our review of the current PSNH financing request does not extend to questions of whether or not PSNH should construct the scrubber technology at Merrimack Station, or whether there are available alternatives to installing that technology. Finally, we find it inconceivable that the Legislature would countenance a situation where it had determined that the installation of this specific scrubber technology is in the public interest, but that the Commission could nonetheless determine that financing used for that very purpose is not in the public good.

Id. at 16.

Following the issuance of Order No. 24,979, the parties met at a technical session on July 1, 2009, wherein CLF and the Office of Consumer Advocate (“OCA”) indicated a desire for additional discovery.¹ The parties agreed to an additional round of discovery.

During this third round of discovery, CLF submitted five questions to PSNH on July 8, 2009. (See Attachment 1 hereto).² Notwithstanding the Commission’s explicit rulings regarding the scope of this proceeding, during this third round of discovery, CLF included the following three questions in its July 8th discovery request:

CLF-01, Q-CLF-002

- (a) What is the extent of departure of load from PSNH service across all customer classes over the past year and past six months? Please provide data by customer class.
- (b) What does PSNH anticipate the effect of these load departures to be on rates? For purposes of your response in connection with rate impacts, indicate whether a sensitivity analysis has been applied, and if so, how PSNH’s estimated rate impacts may change depending on variation in the rate of departure.
- (c) How will load departure effect PSNH’s ability to complete planned capital projects, including the “Scrubber Project”?

CLF-01, Q-CLF-003

The U.S. Energy Information Administration’s (“EIA”) June 2009 Electric Power Monthly (“EPM”) reports that net generation in the U.S. dropped by 4.3 percent from March 2008 to March 2009, and that “[t]he drop in coal-fired generation was the largest absolute fuel-specific decline from March 2008 to March 2009 as it fell by 24,656 thousand megawatthours, or 15.3 percent.” EPM at 1. Additionally, the EPM reports that, “year-to-date, total net generation was down 4.6 percent from 2008 levels. Net generation attributable to coal-fired plants was down 11.7 percent.” *Id.* What impact will the decline in electric power demand—particularly from coal-fired plants—have on PSNH’s ability to complete planned capital projects, including the Scrubber Project, and how will rates be affected?

CLF-01, Q-CLF-004

Referring to PSNH’s September 2, 2008, filing with the New Hampshire PUC in DE 08-103, §§ III (Effect of Clean Air Project on Energy Service Rates) and IV (Effect on Energy Service Rates if Merrimack Station Is Retired), pp.

¹ Both the OCA and Commission Staff had previously propounded two prior sets of discovery questions on PSNH on April 3rd and April 24th pursuant to the procedural schedule set forth in the prehearing order issued by Secretarial Letter dated April 1, 2009. PSNH responded to all four sets of those questions in a timely manner.

² Interestingly, one day earlier (July 7, 2009), CLF’s discovery request of PSNH was composed of only two questions submitted by e-mail. (See Attachment 2 hereto). Following Commission Staff’s admonition to CLF to put its questions into proper form, CLF’s two questions had morphed into five questions encompassing ten sub-parts.

14-15, in light of current gas prices, departure of load, decline in electricity demand, and other altered assumptions, explain whether those analyses remain accurate, and if they are no longer accurate, provide revised analyses.

Pursuant to Rule Puc 203.09, on July 9, 2009, PSNH objected to these three questions. (See Attachment 3 hereto). In its Objection, PSNH noted, “The information sought by these questions is outside of the scope of this proceeding as set forth in Order No. 24,979. The information sought by these questions is neither relevant nor material to this proceeding. The information sought by these questions is not reasonably calculated to lead to evidence admissible in this proceeding.”

As a result of PSNH’s Objection, pursuant to Rule Puc 203.09(i)(4) CLF and PSNH had a discussion to determine whether this discovery dispute could be informally resolved. That discussion led to PSNH’s identification and provision of materials previously filed by the Company in other Commission proceedings that were responsive to CLF-01, Q-CLF-002 (a).³ As noted by CLF in its Motion to Compel, CLF is not seeking additional response to CLF-01, Q-CLF-002 (a).

On July 24, 2009, CLF filed its Motion to Compel responses to the remaining questions to which PSNH has objected.

II. Argument

The Motion to Compel seeks discovery responses regarding matters that are outside of the scope of this proceeding as set forth in Order No. 24,979; that are neither relevant nor material to this proceeding; and, that are not reasonably calculated to lead to evidence admissible in this proceeding.

PSNH has been judicious and circumspect in its objection to discovery in this proceeding. The Company has diligently responded to 58 discovery questions submitted by Commission Staff, OCA and CLF. PSNH’s responses, and supplements thereto, total almost 200 pages. The three CLF questions that are the subject of the Motion to Compel are clearly objectionable.

³ Notwithstanding PSNH’s identification and provision of such responsive materials, PSNH has not waived its objection to the subject matter requested in CLF-01, Q-CLF-002 (a) on the grounds set forth in the Company’s initial Objection.

In its March 19, 2009, Petition to Intervene, CLF has noted:

- CLF is a private, non-profit *environmental membership organization dedicated to the protection and responsible use of New England's natural resources*, including resources affected by the generation, transmission and distribution of electric power.
- CLF represents the interests of its members in *ensuring that environmental impacts* resulting from electric utility operation in New Hampshire and the region are minimized.
- Intervention will allow CLF to protect its' members' substantial interests in achieving *reductions in the environmental and health impacts* of electricity generation.
- CLF's *primary interest is to promote environmental protection*.
- In this docket...*the issues raise important environmental concerns* for CLF and its members.

Based upon these core environmental interests espoused by CLF itself, in its own Petition for Intervention, and CLF's continuing multi-faceted attacks on the legislatively-mandated scrubber project,⁴ the questions objected to by PSNH amount to nothing more than an outrageous attempt by CLF to do an end-run around the Commission's decision that matters relating to the financing of the Scrubber project are outside the scope of this proceeding.⁵ CLF-01, Q-CLF-002; CLF-01, Q-CLF-003; and CLF-01, Q-CLF-004 each

⁴ In addition to this proceeding, CLF's challenges to the Scrubber project have included: NHPUC Docket No. DE 08-103, "Investigation of PSNH's Installation of Scrubber Technology at Merrimack Station;" NHPUC Docket No. DE 08-145, "Investigation into Modifications to Merrimack Station;" NH Supreme Court Docket 2008-0897, "Appeal of Stonyfield Farm, Inc.;" NH Site Evaluation Committee Docket No. 2009-01, "Merrimack Station Electric Generating Facility;" NH Air Resources Council Docket No. 09-11, "Appeal of Temporary Air Permit Issued to PSNH, Permit No. TP-0008;" lobbying before the NH General Court regarding SB 152 and HB 496; CLF "Notice of Intent to Sue" under the Clean Air Act dated 3/11/2005 for failure to control mercury emissions from Merrimack Station; CLF "Notice of Intent to Sue" under the Clean Air Act dated 2/26/2009 for proposing to construct and/or constructing the Scrubber at Merrimack Station.

⁵ Intervention requests before the Commission are governed by Rule Puc 203.17, which adopts the standards of RSA 541-A:32. A requirement for granting intervention includes a determination that "the interests of justice and the orderly and prompt conduct of the proceedings would not be impaired by allowing the intervention." RSA 541-A:32,I,(c). RSA 541-A:32,III allows the Commission to "impose conditions upon the intervenor's participation in the proceedings, either at the time that intervention is granted or at any subsequent time. Such conditions may include, but are not limited to: (a) Limitation of the intervenor's participation to designated issues in which the intervenor has a particular interest demonstrated by the petition." The Commission may wish to reconsider the nature and extent of CLF's intervenor status, in light of CLF's interests and its impact on the orderly and prompt conduct of the proceeding.

expressly inquire about the Scrubber Project, and CLF's attempts to masquerade its real objectives by claiming concerns for "impacts on rates" is disingenuous.⁶

a. CLF-01, Q-CLF-002 (b) and (c)

This question seeks information relating to migration of retail customers from PSNH's default energy service to competitive energy suppliers, and how such migration would affect PSNH's ability to complete planned capital projects, including the "Scrubber Project". CLF claims, *inter alia*, that such information regarding the migration of customers is "highly relevant to the Commission's review of how the proposed financing will impact rates. The financing, in large part, will be used to fund the Scrubber Project." Motion to Compel, ¶15.

It should be noted that the proposed financing is needed to support all of PSNH's operations – distribution, transmission and generation. The issue of customer migration to competitive suppliers has no impact on either the distribution or transmission segments of the Company. With respect to the generation segment of PSNH's operations, the Company's decisions regarding capital spending are all subject to prudence review by the Commission. During those proceedings there are ample opportunities to determine whether the Company reasonably took into account the potential impact of the migration of retail customers to or from default service.

As the Commission noted in Order No. 24,979, "the scrubber installation at Merrimack Station does not reflect a utility management choice among a range of options. Instead, installation of scrubber technology at the Merrimack Station is a legislative mandate, with a fixed deadline." Given the nature of this mandate, and the noted lack of utility management choice, the Scrubber Project must continue regardless of whether the instant financing petition is granted or denied. In order to comply with the law, PSNH would be required to prioritize the funding of programs to ensure that legally mandated spending obligations (such as the Scrubber Project, taxes, Commission assessments, etc.) are met before other, discretionary programs get funded. Thus, the question asked by CLF seeks information regarding matters that are outside of the scope of this proceeding as set forth in Order No. 24,979; that are neither relevant nor material to this proceeding; and, that are not reasonably calculated to lead to evidence admissible in this proceeding.

⁶ The costs of the litany of litigation listed in footnote 4, *supra*, to PSNH and the State belie CLF's claims that it is a utility consumer advocate organization concerned about the costs that customers would bear.

b. CLF-01, Q-CLF-003

This question seeks information regarding the impact the alleged decline in electric power demand—particularly from coal-fired plants— will have on PSNH’s ability to complete planned capital projects, including the Scrubber Project, and how rates will be affected. CLF claims that “PSNH is proposing to take on substantial new borrowings at a time when it is losing high value sales and overall demand for generation is down. How these factors will impact rates in connection with the financing is plainly relevant.” Motion to Compel, ¶18.

As the Commission noted in Order No. 24, 979, “the scrubber installation at Merrimack Station does not reflect a utility management choice among a range of options. Instead, installation of scrubber technology at the Merrimack Station is a legislative mandate, with a fixed deadline.” Given the nature of this mandate, and the noted lack of utility management choice, the Scrubber Project must continue regardless of whether the instant financing petition is granted or denied. In order to comply with the law, PSNH would be required to prioritize the funding of programs to ensure that legally mandated spending obligations (such as the Scrubber Project, taxes, Commission assessments, etc.) are met before other, discretionary programs get funded (such as reliability, vegetation management, etc.). Thus, the question asked by CLF seeks information regarding matters that are outside of the scope of this proceeding as set forth in Order No. 24,979; that are neither relevant nor material to this proceeding; and, that are not reasonably calculated to lead to evidence admissible in this proceeding.

Moreover, given PSNH’s ownership and operation of its coal-fired generating station and the legal mandates contained in RSA 369-B:3, IV,(b),(1),(A) and RSA 374-F:3, V,(f),(4) for PSNH to use the output from its generating plants to provide default service/transition service to its retail customers, the premise of the question (the drop in coal-fired generation) is faulty as it relates to PSNH.

c. CLF-01, Q-CLF-004

In this question, CLF asks PSNH to redo analyses provided to the Commission in Docket No. DE 08-103, the Commission’s “Investigation of PSNH's Installation of Scrubber Technology at Merrimack Station.” CLF claims that this question is relevant because, “An assessment of the economic and rate impact of the proposed financing...naturally must occur

within the context of an understanding of what the rate impact would have been had the [Scrubber] project not gone forward....”

As the Commission ordered in Order No. 24,979, “we shall not consider evidence concerning whether the use of the financing proceeds for the scrubber is for the public good or whether there are reasonable alternatives to installation of a wet flue gas desulphurization system at PSNH’s Merrimack Station.” In addition, this question ignores the Commission’s determination that it is “inconceivable that the Legislature would countenance a situation where it had determined that the installation of this specific scrubber technology is in the public interest, but that the Commission could nonetheless determine that financing used for that very purpose is not in the public good.” Finally, the Commission itself noted that Docket No. DE 08-103 is an open docket where PSNH’s costs of construction of the scrubber technology at Merrimack Station are being monitored;⁷ this financing proceeding is not a proxy for matters that are included in that proceeding. Thus, the question asked by CLF seeks information regarding matters that are outside of the scope of this proceeding as set forth in Order No. 24,979; that are neither relevant nor material to this proceeding; and, that are not reasonably calculated to lead to evidence admissible in this proceeding.

III. Conclusion

PSNH renews its objections to CLF data requests CLF-01, Q-CLF-002 (b) and (c); CLF-01, Q-CLF-003; and CLF-01, Q-CLF-004. These questions seek discovery responses regarding matters that are outside of the scope of this proceeding as set forth in Order No. 24,979; that are neither relevant nor material to this proceeding; and, that are not reasonably calculated to lead to evidence admissible in this proceeding.

PSNH urges the Commission to DENY the “Motion to Compel PSNH’s Responses to Data Requests” filed by Conservation Law Foundation, Inc., and to grant such other relief as the Commission deems appropriate.

⁷ Order No. 24.979, *slip op*, at 18.

Respectfully submitted this 3rd day of August, 2009.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

By:  _____

Robert A. Bersak
Assistant Secretary and Assistant General Counsel
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CERTIFICATE OF SERVICE

I certify that on this date I caused the attached Memorandum of Law to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

August 3, 2009



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Attachment 1

CLF Data Requests



CONSERVATION LAW FOUNDATION

July 8, 2009

Ms. Catherine E. Shively
Senior Counsel
Northeast Utilities Service Company
780 North Commercial Street
Manchester, NH 03101

Dear Attorney Shively:

Conservation Law Foundation is propounding the enclosed data requests upon PSNH pursuant to PUC Rule 203.09(a)&(f). Responses are required to be submitted within ten (10) business days.

Thank you for your cooperation.

Sincerely,

Melissa A. Hoffer
VP and Director
New Hampshire Advocacy Center
Program Director, Healthy Communities
and Environmental Justice

MAH/dlh

Encls.

cc: Service List

27 North Main Street, Concord, New Hampshire 03301-4930 • 603-225-3060 • Fax: 603-225-3059 • www.clf.org

MASSACHUSETTS: 62 Summer Street, Boston, Massachusetts 02110-1016 • Phone: 617-350-0990 • Fax: 617-350-4030

MAINE: 14 Maine Street, Brunswick, Maine 04011-2026 • 207-729-7733 • Fax: 207-729-7373

RHODE ISLAND: 55 Dorrance Street, Providence, Rhode Island 02903 • 401-351-1102 • Fax: 401-351-1130

VERMONT: 15 East State Street, Suite 4, Montpelier, Vermont 05602-3010 • 802-223-5992 • Fax: 802-223-0060

THE STATE OF NEW HAMPSHIRE
BEFORE THE PUBLIC UTILITIES COMMISSION

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PETITION FOR INCREASE IN SHORT TERM DEBT LIMIT AND TO ISSUE
LONG TERM DEBT

DOCKET NO. DE 09-033

CONSERVATION LAW FOUNDATION'S DATA REQUESTS

Pursuant to PUC Rule 203.09(a), Conservation Law Foundation ("CLF") respectfully requests that Catherine E. Shively, on behalf of PSNH, provide answers to the following data requests in writing and under oath.

Definitions, Form and Content of Responses to Data Requests

- A. For the purpose of these requests, "Document" as used herein:
1. Refers to all writings including but not limited to: testimony and exhibits, orders, policy statements, memoranda, correspondence, letters, reports (including drafts, preliminary, intermediate, and final reports), surveys, analyses, studies (including economic and market studies), summaries, comparisons, tabulations, charts, books, pamphlets, photographs, maps, bulletins, corporate or other minutes, notes, diaries, log sheets, ledgers, transcripts, computer files, computer diskettes, and printouts, vouchers, accounting statements, budgets, work papers, engineering diagrams, (including "one-line" diagrams), mechanical recordings, telephone and telegraphic communications, and all other records, written, electronic, mechanical, and drafts of any of the above.
 2. Includes copies of Documents, where the originals are not in your possession;
 3. Includes every copy of a Document which contains hand written or other notations or which otherwise does not duplicate the original or any other copy; and;
 4. Includes any attachments or appendices to any Document.
- B. For each response, please identify the individual who has provided the response and also the individual who would be responsible for cross-examination concerning each request. Also for each response, identify each individual who supplied any information in response to those questions.

- C. If requested data is duplicative of that furnished in response to another data request, it is only necessary to identify the response wherein the information is contained.
- D. If a request is thought to be unclear or imprecise, please request clarification, by telephone, or to the individual in paragraph E below, prior to furnishing unnecessary data or an inadequate response.
- E. Please provide copies of all responses by the date set forth in the cover letter to this document or applicable Public Utilities Commission order to the following individual(s):

Melissa A. Hoffer Conservation Law Foundation 27 N. Main Street Concord, NH 03301 603-225-3060
Please also provide one copy electronically to: mhoffer@clf.org

- F. When answering these Requests, you are requested to furnish all information in your possession or available to you, including that in the possession of your attorneys, investigators, employees, consultants, agents, representatives, guardians, or any other person acting on your behalf, and not merely such information known by you on personal knowledge.
- G. If you cannot answer any of the following Requests in full, after exercising due diligence to secure the information to do so, you should so state and answer to the extent possible, specifying your inability to answer the remainder, and stating whatever information or knowledge you have concerning the unanswered portion.
- H. Any Request having more than one part is intended to, and does, request that each and every part thereof be answered with the same force and effect as if each were the subject of and were asked by a separate Request.
- I. If you withhold any Documents responsive to these Requests by reason of claim of privilege or otherwise, a list is to be furnished with your written response to these Requests identifying each such Document together with the following information.
 - 1. The date of the Document;
 - 2. The name or names of its author, authors or preparers, including the title, employer and address of each;

3. The name of each person who has been furnished with the Documents, or copy thereof, or who in any way received or viewed the Document, or a copy thereof, or who has or has had custody of the Document, including the title, employer, and address of each;
 4. The subject matter of the Document, and
 5. The basis for your assertion of the privilege.
- J. Each response should be furnished on a separate page headed by the individual Request being answered. Individual response of more than one page should be stapled or bound and each page consecutively numbered.
- K. These Requests are continuing and require further and supplemental answers by you whenever you produce, create, acquire or attain knowledge or a right of control or custody of any additional Documents within the scope of these Requests which have not been previously provided.

CLF Data Requests Set 1

DE 09-033

July 8, 2009

1. (a) Referring to PSNH Response to OCA Data Requests, Q-NOCA Set 1-002 (April 3, 2009), what portion of the proposed financing proceeds will be used for installation of a wet flue gas desulphurization system (“Scrubber Project”)?

(b) Name each project component, and its costs, for which PSNH is seeking financing in this docket that is not a part of the Scrubber Project.
2. (a) What is the extent of departure of load from PSNH service across all customer classes over the past year and past six months? Please provide data by customer class.

(b) What does PSNH anticipate the effect of these load departures to be on rates? For purposes of your response in connection with rate impacts, indicate whether a sensitivity analysis has been applied, and if so, how PSNH’s estimated rate impacts may change depending on variation in the rate of departure.

(c) How will load departure effect PSNH’s ability to complete planned capital projects, including the “Scrubber Project”?
3. The U.S. Energy Information Administration’s (“EIA”) June 2009 Electric Power Monthly¹ (“EPM”) reports that net generation in the U.S. dropped by 4.3 percent from March 2008 to March 2009, and that “[t]he drop in coal-fired generation was the largest absolute fuel-specific decline from March 2008 to March 2009 as it fell by 24,656 thousand megawatthours, or 15.3 percent.” EPM at 1. Additionally, the EPM reports that, “year-to-date, total net generation was down 4.6 percent from 2008 levels. Net generation attributable to coal-fired plants was down 11.7 percent.” *Id.* What impact will the decline in electric power demand—particularly from coal-fired plants—have on PSNH’s ability to complete planned capital projects, including the Scrubber Project, and how will rates be affected?
4. Referring to PSNH’s September 2, 2008, filing with the New Hampshire PUC in DE 08-103, §§ III (Effect of Clean Air Project on Energy Service Rates) and IV (Effect on Energy Service Rates if Merrimack Station Is Retired), pp. 14-15, in light of current gas prices, departure of load, decline in electricity demand, and other altered assumptions, explain whether those analyses remain accurate, and if they are no longer accurate, provide revised analyses.
5. (a) Provide all Documents that relate to any analyses and/or discussion of the effect of load departure, decrease in electric power demand, and/or actual or anticipated

¹ Available at http://www.eia.doe.gov/cneaf/electricity/epm/epm_sum.html.

state and/or federal environmental compliance costs on PSNH's and/or Northeast Utilities' ("NU") credit rating.

(b) What impact would a downgrade in either PSNH's or NU's rating have on PSNH's ability to complete planned capital projects, including the Scrubber Project?

(c) What impact would such a downgrade have on rates and potential additional load departure?

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of July, 2009, a copy of the Conservation Law Foundation's Data Requests on PSNH's Proposed Financing was sent electronically, and by First Class Mail, to

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Melissa L. Price
Administrative Assistant
Public Service Company of New Hampshire
780 N. Commercial Street
P.O. Box 330
Manchester, NH 03105-0330

Dated in Concord, New Hampshire this 8th day of July, 2009.



Melissa A. Hoffer
Vice President and Director
New Hampshire Advocacy Center
Conservation Law Foundation
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Attachment 2

CLF Original Questions

"Melissa Hoffer" <MHoffer@clf.org>

07/07/2009 12:14 PM

To "Amidon, Suzanne"
Suzanne.Amidon@puc.nh.gov>, "Mullen, Steve"
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<Meredith.A.Hatfield@oca.nh.gov>, "Traum, Ken"
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Shively/NUS@NU, Stephen R. Hall/NUS@NU,
Robert A. Bersak/NUS@NU

cc

Subject CLF Data Requests / DE 09-033

DE 09-033

All:

Following on last week's technical session in the above referenced docket, below are CLF's data requests:

1. What portion of the proposed financing proceeds will be used for the scrubber project?
2. Name each project, and its costs, for which PSNH is seeking financing in this docket that are not a part of the scrubber project.

Melissa

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This email message and any attachments are being sent by Conservation Law Foundation, are confidential, and may be privileged. If you are not the intended recipient, please notify us immediately by replying to this message and destroy all copies of this message and any attachments. Thank you.

Attachment 3

PSNH Objection



**Public Service
of New Hampshire**

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The Northeast Utilities System

Robert A. Bersak
Assistant Secretary and
Assistant General Counsel

July 9, 2009

Melissa A. Hoffer, Esq.
Vice President and Director
New Hampshire Advocacy Center
Conservation Law Foundation
27 North Main Street
Concord, New Hampshire 03301

Re: *Docket No. DE 09-033*
PSNH Petition for Authority to Issue Long Term Debt

Objection to Data Requests Pursuant to Rule Puc 203.09

Dear Attorney Hoffer:

Pursuant to Rule Puc 203.09, Public Service Company of New Hampshire objects to the following data requests propounded by Conservation Law Foundation on July 8, 2009, in the above-captioned proceeding:

CLF-01, Q-CLF-002

- (a) What is the extent of departure of load from PSNH service across all customer classes over the past year and past six months? Please provide data by customer class.
- (b) What does PSNH anticipate the effect of these load departures to be on rates? For purposes of your response in connection with rate impacts, indicate whether a sensitivity analysis has been applied, and if so, how PSNH's estimated rate impacts may change depending on variation in the rate of departure.
- (c) How will load departure effect PSNH's ability to complete planned capital projects, including the "Scrubber Project"?

CLF-01, Q-CLF-003

The U.S. Energy Information Administration's ("EIA") June 2009 Electric Power Monthly ("EPM") reports that net generation in the U.S. dropped by 4.3 percent from March 2008 to March 2009, and that "[t]he drop in coal-fired generation was the largest absolute fuel-specific decline from March 2008 to March 2009 as it fell by 24,656 thousand megawatthours, or 15.3 percent." EPM at 1. Additionally, the EPM reports that, "year-to-date, total net generation was down 4.6 percent from 2008

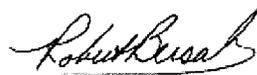
levels. Net generation attributable to coal-fired plants was down 11.7 percent.” *Id.* What impact will the decline in electric power demand—particularly from coal-fired plants—have on PSNH’s ability to complete planned capital projects, including the Scrubber Project, and how will rates be affected?

CLF-01, Q-CLF-004

Referring to PSNH’s September 2, 2008, filing with the New Hampshire PUC in DE 08-103, §§ III (Effect of Clean Air Project on Energy Service Rates) and IV (Effect on Energy Service Rates if Merrimack Station Is Retired), pp. 14-15, in light of current gas prices, departure of load, decline in electricity demand, and other altered assumptions, explain whether those analyses remain accurate, and if they are no longer accurate, provide revised analyses.

PSNH objects to these questions pursuant to Rule Puc 203.09. The information sought by these questions is outside of the scope of this proceeding as set forth in Order No. 24,979. The information sought by these questions is neither relevant nor material to this proceeding. The information sought by these questions is not reasonably calculated to lead to evidence admissible in this proceeding.

Sincerely,



Robert A. Bersak
Assistant Secretary and
Assistant General Counsel

cc: Discovery Service List

SERVICE LIST - EMAIL ADDRESSES - DISCOVERY MATERIALS

Pursuant to N.H. Admin Rule Puc 203.09 (d) and 203.11 (a) (11) electronic copies of all discovery shall be served on every person designated for discovery filings on the Commission's official service list. [Discovery shall not be filed as part of a docket filing pursuant to 203.02]

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