

1 **STATE OF NEW HAMPSHIRE**
2 **PUBLIC UTILITIES COMMISSION**

3
4 **September 12, 2016 - 2:04 p.m.**
5 Concord, New Hampshire

NHPUC SEP30'16 PM 2:42

6
7 **RE: DE 16-463**
8 **UNITIL ENERGY SYSTEMS, INC.:**
9 **2016 Least Cost Integrated**
10 **Resource Plan.**
11 ***(Prehearing conference)***

12
13 **PRESENT:** Alexander F. Speidel, Esq.
14 *(Presiding as Hearings Examiner)*

15 Sandy Deno, Clerk

16 **APPEARANCES:** **Reptg. Unitil Energy Systems, Inc.:**
17 Gary Epler, Esq.

18 **Reptg. Residential Ratepayers:**
19 Donald M. Kreis, Esq., Consumer Adv.
20 James Brennan, Finance Director
21 Office of Consumer Advocate

22 **Reptg. PUC Staff:**
23 Suzanne G. Amidon, Esq.
24 Richard Chagnon, Electric Division

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



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I N D E X

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**STATEMENTS REGARDING MOTION FOR
CONFIDENTIAL TREATMENT BY:**

Mr. Epler	5
Mr. Kreis	5
Ms. Amidon	5, 7
Hearings Examiner Speidel	6

STATEMENTS OF PRELIMINARY POSITION BY:

Mr. Epler	8
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Ms. Amidon	9

P R O C E E D I N G

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2 HEARINGS EXAMINER SPEIDEL: My name
3 is Alexander Speidel. And I'm a Hearings
4 Examiner here at the PUC, and I will be serving
5 as the Presiding Officer at this prehearing
6 conference, at Docket Number DE 16-463, the
7 Unutil Energy Systems, Incorporated 2016 Least
8 Cost Integrated Resource Plan.

9 There was an affidavit of publication
10 filed for this proceeding on September the 8th,
11 indicating that publication was accomplished on
12 August the 17th. And an order of notice was
13 issued for this proceeding on August the 15th.

14 Unless we have any preliminary
15 matters, I would invite the parties to take
16 appearances at the present time.

17 MR. EPLER: Good afternoon. Gary
18 Epler, counsel for Unutil Energy Systems. And
19 with me today are Kevin Sprague, who's the
20 Director of Engineering for Unutil, and John
21 Bonazoli, who's the Manager for Electrical
22 Engineering. Thank you.

23 HEARINGS EXAMINER SPEIDEL: Thank
24 you.

1 MR. KREIS: Good afternoon,
2 Mr. Presiding Officer. I'm Donald Kreis, of
3 the Office of the Consumer Advocate. The
4 gentleman to my left is our Director of
5 Finance, Mr. James Brennan. We are
6 representing the interests of residential
7 utility customers.

8 HEARINGS EXAMINER SPEIDEL: Thank
9 you.

10 MS. AMIDON: Good afternoon. Suzanne
11 Amidon, for Staff. And with me today is Rich
12 Chagnon, who is an Analyst with the Electric
13 Division.

14 HEARINGS EXAMINER SPEIDEL: Thank you
15 again.

16 Now, I have noticed that there has
17 been a Motion for Confidential Treatment filed
18 by the Company in this proceeding. And it
19 relates to certain engineering details of the
20 Company's distribution network. Before I
21 mention my likely recommendations regarding
22 this matter, I'd like to invite each of the
23 parties to make their positions regarding the
24 Motion for Confidential Treatment known, if

1 any. Starting with the Company?

2 MR. EPLER: Well, our position is in
3 the motion.

4 HEARINGS EXAMINER SPEIDEL: Okay.

5 MR. EPLER: I don't know if I need to
6 go further on that. But, in particular, it's
7 with respect to certain line drawings that
8 showed the specific locations and capabilities
9 of certain facilities. And we typically do not
10 make that available to the public. And it has
11 been treated in the past as confidential by the
12 Commission, and in other jurisdictions it's
13 also treated as confidential.

14 HEARINGS EXAMINER SPEIDEL: All
15 right. Thank you. Mr. Kreis or Ms. Amidon, do
16 you have any comments you'd like to add to
17 that?

18 MR. KREIS: Yes. From the standpoint
19 of the Office of the Consumer Advocate, this is
20 that rare example where a utility request for
21 confidential treatment is entirely appropriate.

22 HEARINGS EXAMINER SPEIDEL: Ms.
23 Amidon, anything?

24 MS. AMIDON: Staff does not object to

1 the Motion for Confidential Treatment.

2 HEARINGS EXAMINER SPEIDEL: Very
3 well. What I would suggest, in the current
4 circumstances, based on my knowledge of the
5 Commissioners' increased interest in critical
6 infrastructure information and critical
7 infrastructure information protection, from a
8 policy perspective, regarding the proper
9 balance between public disclosure and the need
10 to maintain safety and security on our
11 distribution systems, I would suggest that this
12 material be held confidentially, pending a
13 final decision on the motion at the merits
14 hearing at the conclusion of this proceeding,
15 or perhaps the Commissioners may want to issue
16 an order at some earlier time.

17 But my Hearings Examiner report will
18 reflect the fact that the Commissioners, in all
19 likelihood, would want to deliberate on this
20 question as a collective body and reach their
21 own conclusions, because it's important to
22 properly delineate the boundaries between what
23 is properly protected as infrastructure
24 information that would be sensitive or

1 represent some threat to security and safety,
2 and the public's general right to know under
3 RSA 91-A.

4 So, that suggestion will be made.
5 And I would imagine that the parties would
6 accede to that sort of revisiting of the issue
7 by the full Commission.

8 MS. AMIDON: I just wanted --

9 HEARINGS EXAMINER SPEIDEL: Ms.
10 Amidon.

11 MS. AMIDON: Thank you very much. I
12 just wanted to add, I also -- Staff is also of
13 the opinion that disclosure of the information
14 will not shed any light on the operations for
15 this Commission, and ask that you consider that
16 criteria as well when you prepare your
17 recommendation.

18 HEARINGS EXAMINER SPEIDEL: Thank you
19 very much. That's appreciated, Ms. Amidon.

20 MS. AMIDON: Thank you.

21 HEARINGS EXAMINER SPEIDEL: Seeing on
22 the record that there doesn't appear to be any
23 other substantive matter, I would like to
24 invite each of the parties to make their

1 preliminary position statements as they see
2 fit. Mr. Epler.

3 MR. EPLER: Given the nature of
4 the -- given the nature of the filing, I don't
5 have an extensive prepared statement. The
6 Company believes that, looking at the
7 Settlement Agreement that was approved in the
8 last filing, the Least Cost Plan, that the
9 Company has complied with the requirements for
10 the filing and has included additional
11 attachments to meet the expectations of the
12 Staff that were expressed in that proceeding.

13 And, so, we look forward to
14 participating with the Staff and the OCA in
15 this docket, exploring the issues that are set
16 forth in the statute, and responding to any
17 discovery.

18 HEARINGS EXAMINER SPEIDEL: Thank
19 you. Mr. Kreis.

20 MR. KREIS: Thank you. At the risk
21 of sounding more edgy than I really intend, I
22 would like to say, on behalf of residential
23 utility customers, that the Least Cost
24 Integrated Resource Planning statute is a 20th

1 century phenomenon reflecting a 20th century
2 pre-restructuring approach to the oversight of
3 utilities. And, so, not surprisingly, what
4 Unitil has filed is a 20th century document.

5 And we are in quest of ways to take
6 this entire process and bring it into the 21st
7 century. And, to the extent we can use this
8 proceeding to achieve that result, that will be
9 our objective.

10 In that regard, we look forward to
11 working with Staff and with Unitil. And we're
12 confident that this is another docket that can
13 be resolved by a settlement agreement.

14 HEARINGS EXAMINER SPEIDEL: Thank
15 you. And, Ms. Amidon.

16 MS. AMIDON: Thank you. Staff has
17 commenced its review of the filing. As you
18 know, under the Least Cost Plan, the purpose of
19 the proceeding is to determine whether or not
20 the Commission will accept the plan.

21 Consistent with what Staff has done
22 in the past, we'll review the filing with the
23 Company with the OCA. And we do expect that
24 the conclusion will be a non-litigated

1 settlement agreement for the Commission's
2 consideration.

3 I will say, just as a matter of
4 information, I have not yet prepared a
5 procedural schedule for this docket. And that
6 was one of the elements that we'll be
7 discussing at the technical session that
8 follows this prehearing conference. And my
9 expectation that we will also commence some
10 areas of discovery at that technical session.

11 HEARINGS EXAMINER SPEIDEL: Very
12 good.

13 In light of these statements, I will
14 file a very brief Hearing Examiner's report,
15 referencing the fact that the full Commission
16 ought to consider the Motion for Confidential
17 Treatment at the merits hearing, or at some
18 earlier time at their own election. And that a
19 procedural schedule will be developed
20 collaboratively by the parties this afternoon
21 and submitted at some point in the near future.

22 I would thank you all for your time.
23 And this hearing is hereby adjourned. Thank
24 you.

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MS. AMIDON: Thank you.

*(Whereupon the prehearing
conference was adjourned at 2:11
p.m., and a technical session
was held thereafter.)*