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**RUSSEL JOHNSON
LAVELLE FREEMAN
GERHARD WALKER
MATTHEW COSGRO
JAMES DiLUCA
MINA MOAWAD
JAY DUDLEY
RONALD WILLOUGHBY**

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1 2 3 4 5 6 7 8 9 10	<p>23 RECORD REQUEST 1 (as provided in a Procedural Order issued by the PUC on March 10, 2023)</p> <p><i>Provide data on the number of customers on the Interruptible Rate classes over the past 10 years. Indicate the annual number of days over the past ten years, when Eversource interrupted service for those customers, and data on the extent of interruption (in kWhs) implemented during those events.</i></p>	<i>premarked</i>
11 12 13 14 15	<p>24 RECORD REQUEST 2 (as provided in a Procedural Order issued by the PUC on March 10, 2023)</p> <p><i>(a) What is Eversource's vision for AMI deployment in New Hampshire over the next five years? (b) Please provide a description of Eversource's AMI deployment in other jurisdictions.</i></p>	<i>premarked</i>
16 17 18 19 20	<p>25 RECORD REQUEST 3 (as provided in a Procedural Order issued by the PUC on March 10, 2023)</p> <p><i>Please provide substation, circuit, breaker-level and/or facility-level information identifying the location and system granularity of investment need.</i></p>	<i>premarked</i>

21
22
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24

P R O C E E D I N G

1
2 CHAIRMAN GOLDNER: Okay. Good morning.
3 I'm Chairman Goldner. I'm here as Presiding
4 Officer, with Commissioner Chattopadhyay and
5 Commissioner Simpson.

6 This is the third continued day of
7 hearings regarding the 2020 Eversource LCIRP and
8 associated matters. We see that we have one
9 Eversource witness, Mr. Gerhard Walker,
10 participating remotely, pursuant to a procedural
11 order on April 4th, 2023.

12 Having reviewed the transcripts from
13 the March 8th hearing day and the preceding
14 March 7th hearing day, it appears that we
15 successfully concluded the hearing phase for the
16 case in chief question regarding whether the
17 Commission is to approve the Company's LCIRP
18 proposal in general. We ended with the redirect
19 of Mr. Skoglund of Clean Energy by Attorney
20 Emerson, followed by Commissioner questions.

21 At this point, the Commission would
22 expect that today's hearing would pertain to the
23 question of whether the Commission should approve
24 the Partial Settlement Agreement tendered by

1 Eversource and the Department of Energy on
2 March 2nd, 2023, relating to the Company's
3 non-wires alternative work. We understand that
4 there were parties opposed to this Partial
5 Settlement Agreement in March.

6 So, as a threshold matter, for opening
7 statements today, after appearances, we'd like to
8 know, are there any changes in position among the
9 parties regarding the LCIRP in general, or the
10 Partial Settlement Agreement in particular, since
11 March?

12 Also, are there any outstanding issues
13 regarding the case in chief issues requiring the
14 Commission's attention?

15 I'd like to remind the parties that
16 there will be scope for post-hearing briefs and
17 reply briefs following the conclusion of this
18 hearing, assuming another day of hearings is not
19 required.

20 These opening statements are not meant
21 to be a full rehash of the March case
22 presentations, but rather an indication of
23 whether positions have changed, or if there are
24 any loose ends requiring our attention.

1 For the Company and DOE, we presume --
2 which we presume will be appearing as a single
3 witness panel today, we would like for the
4 attorneys making appearances to name the entity's
5 witnesses providing testimony in favor of the
6 Partial Settlement Agreement for the record. The
7 Commission will also give full scope for
8 cross-examination, Commissioner questions, and
9 redirect for these witnesses.

10 As these witnesses were excused in
11 March, we would like to ask that they be sworn in
12 once more by Mr. Patnaude, the court reporter, as
13 they are being recalled here.

14 So, let's begin by taking appearances,
15 beginning with the Company.

16 MS. RALSTON: Good morning. Jessica
17 Ralston, from the law firm Keegan Werlin, on
18 behalf of Public Service Company of New
19 Hampshire, doing business as Eversource Energy.

20 CHAIRMAN GOLDNER: Thank you. Is Clean
21 Energy New Hampshire here today?

22 MS. RALSTON: I was just going to say,
23 we received a note from Attorney Emerson advising
24 that he will not be here this morning. We do

1 expect Mr. Skoglund, but that he will be late,
2 due to a prior commitment.

3 CHAIRMAN GOLDNER: Okay. Thank you.
4 The Office of the Consumer Advocate?

5 MR. KREIS: Good morning, Mr. Chairman,
6 Commissioners. I'm Donald Kreis, the Consumer
7 Advocate. We represent the interests of
8 residential utility customers. With me today is
9 our Staff Attorney, Michael Crouse.

10 CHAIRMAN GOLDNER: Very good. And the
11 New Hampshire Department of Energy?

12 MS. SCHWARZER: Good morning, Mr.
13 Chairman. Mary Schwarzer, representing the
14 Department of Energy.

15 CHAIRMAN GOLDNER: Okay.

16 MS. SCHWARZER: And with me is Mark
17 Toscano, who is with our Department as well.

18 CHAIRMAN GOLDNER: Okay. Just as a
19 quick setup here. Will the Department of Energy
20 be offering any witnesses for the Settlement?

21 MS. SCHWARZER: Yes, Mr. Chairman. We
22 have Mr. Jay Dudley, Analyst IV, who is part of
23 the witness panel, and also appearing remotely is
24 Ron Willoughby, PE, who testified remotely

1 before.

2 CHAIRMAN GOLDNER: Very good. And,
3 Attorney Ralston, if you could introduce your
4 witnesses as well please?

5 MS. RALSTON: Sure. As previously
6 stated, we have Mr. Gerhard Walker, who is
7 appearing remotely. And then, in the front of
8 the room we have Mr. Russel Johnson, Mr. Lavelle
9 Freeman, Mr. Matthew Cosgro, and then, beside me,
10 James DiLuca and Mina Moawad, who have all
11 previously provided testimony on the earlier
12 dates.

13 CHAIRMAN GOLDNER: Okay. Very good.
14 We can move now to opening statements. And,
15 Attorney Ralston, if you'd like to lead off.

16 MS. RALSTON: Sure.

17 I don't think I have anything new to
18 say this morning. The Company continues to
19 support our LCIRP filing, inclusive of the
20 Settlement, made in October, and the record
21 requests submitted after the last day of hearing,
22 to provide the one missing item that was
23 previously identified. And we also continue to
24 support the Partial Settlement Agreement that

1 will be discussed this morning.

2 CHAIRMAN GOLDNER: Okay. Thank you.
3 We'll skip over Clean Energy New Hampshire, and
4 we'll move to Attorney Kreis.

5 MR. KREIS: Thank you.

6 The Office of the Consumer Advocate
7 continues to oppose the pending Settlement
8 Agreement. I suppose the best way I can
9 characterize it at this point is that the
10 Settlement Agreement is "puzzling and
11 irrelevant".

12 The question before the Commission is
13 whether or not to approve the Least Cost
14 Integrated Resource Plan filed by the Company.
15 The Settlement Agreement, I think, is some sort
16 of 11th inning effort to amend or update or
17 revise certain aspects of the LCIRP. I don't
18 think it's appropriate. And I don't think the --
19 I don't think there is an evidentiary basis for
20 the Commission to approve the Settlement.

21 That said, I'm here. I'm intending to
22 listen to the testimony, and I know the
23 Commissioners are as well. And I'm curious and
24 interested.

1 CHAIRMAN GOLDNER: Thank you. And the
2 New Hampshire Department of Energy. Any opening
3 statements?

4 MS. SCHWARZER: Yes. Thank you, Mr.
5 Chairman.

6 The Department, of course, continues to
7 support the Partial Settlement. We certainly
8 believe that Settlement, and the process inherent
9 in the Settlement, is part of the adjudicatory
10 process, and are somewhat mystified by the
11 comments of the Office of Consumer Advocate that
12 finds it perhaps inadmissible or unallowable to
13 offer a settlement.

14 The Settlement has allowed the
15 Department to fully support the LCIRP, as
16 proposed by Eversource, as consistent with the
17 statute.

18 With regard to some preliminary
19 matters, we note that the Commission's Record
20 Request Number 3 specified that "Eversource
21 provide material requested by a prior order."
22 And, with the Commission's permission, I would
23 like to ask my analyst if that answer met his
24 expectations and was consistent with the

1 requirements of the order, because prior
2 testimony was that he expected that it would be,
3 and we have an opportunity to do that.

4 Clean Energy New Hampshire had
5 commented on a proposal that fees be suspended
6 pending the outcome of the Department of Energy's
7 Investigatory Docket 22-001 [2022-001?]. And we
8 have not had an opportunity to comment briefly on
9 that proposal. We would also appreciate the
10 opportunity to do so.

11 Thank you.

12 CHAIRMAN GOLDNER: Okay. Thank you.

13 Okay. Well, thank you for your opening
14 statements. Let's move on to the swearing in of
15 the witnesses. Mr. Patnaude, if you could please
16 swear in the witness panel.

17 *(Whereupon **RUSSEL JOHNSON, LAVELLE***
18 ***FREEMAN, GERHARD WALKER, MATTHEW***
19 ***COSGRO, JAMES DILUCA, MINA MOAWAD, JAY***
20 ***DUDLEY, and RONALD WILLOUGHBY were***
21 *recalled to the witness stand and duly*
22 *sworn by the Court Reporter.)*

23 CHAIRMAN GOLDNER: Thank you,
24 Mr. Patnaude. We can now move to direct, and

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 beginning with the Company.

2 MS. RALSTON: Thank you. I have just a
3 few questions for Mr. Freeman and Mr. Walker to
4 introduce the terms of the Partial Settlement
5 Agreement that was reached between the Company
6 and the Department of Energy.

7 **RUSSEL, JOHNSON, SWORN**

8 **LAVELLE FREEMAN, SWORN**

9 **GERHARD WALKER, SWORN**

10 **MATTHEW COSGRO, SWORN**

11 **JAMES DiLUCA, SWORN**

12 **MINA MOAWAD, SWORN**

13 **DIRECT EXAMINATION**

14 BY MS. RALSTON:

15 Q The Partial Settlement Agreement is marked as
16 "Exhibit 22". Are you both familiar with the
17 Settlement Agreement?

18 A (Freeman) Yes, I am.

19 A (Walker) Yes, I am.

20 Q Thank you. Mr. Freeman, Exhibit 22 is a narrow
21 Settlement Agreement between the Company and the
22 Department of Energy, is that correct?

23 A (Freeman) Yes, it is. The Settlement Agreement
24 resolves two recommendations made by the

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 Department of Energy in its technical
2 statement. DOE's technical statement recommends
3 that the Commission accept the Company's 2020
4 LCIRP, inclusive of the October 2022
5 Settlement [Supplement?], subject to the two
6 recommendations set forth in the technical
7 statement.

8 Q And the technical statement you are referring to
9 is the Department of Energy's Exhibit 20, is that
10 correct?

11 A (Freeman) Yes. That is correct.

12 Q And the two recommendations set forth in the
13 technical statement were, one, that the Company's
14 2020 LCIRP should be approved, subject to the
15 DOE's pending investigation in DOE Docket IP
16 22-001 [2022-001?], to consider modifications to
17 interconnection procedures; and, two, that the
18 Company should investigate revisions to its NWA
19 threshold criteria, is that correct?

20 A (Freeman) Yes, it is.

21 Q And can you please provide a brief overview of
22 how the Settlement Agreement resolves DOE's
23 recommendation regarding the Company's N-1
24 planning standard, as it applies to DER

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 interconnection?

2 A (Freeman) Yes. DOE has opened an investigation
3 docketed as "IP 22-001" [2022-001?], to
4 investigate whether modifications to
5 interconnection procedures are warranted. The
6 Settlement Agreement memorializes, in Section
7 2.1, that the Company recognizes that DOE's
8 position regarding the N-1 planning standards as
9 it applies to DER interconnection is contingent
10 on the outcome of DOE's pending investigation.

11 The Company and DOE have not reached
12 any substantive agreement regarding this issue.

13 Q Thank you. Mr. Walker, can you please provide a
14 brief overview of how the Settlement Agreement
15 resolves DOE's recommendation regarding the
16 Company's NWA framework thresholds?

17 A (Walker) Yes. Currently, the Company's NWA
18 framework does not apply where, one, the project
19 is related to aging or failing equipment; two,
20 the project must be completed in less than three
21 years; and, three, that the project costs are
22 less than \$3 million.

23 The Company and DOE have agreed to an
24 Investigation Plan, pursuant to which the Company

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 will modify these thresholds and report on the
2 results over a two-year period.

3 Specifically, the Company has agreed to
4 perform an NWA analysis for projects which costs
5 not less than \$1 million, and two-year
6 implementation timeline, and for projects related
7 to aging equipment on a case-by-case basis.

8 The result of this two-year
9 investigation will inform any changes to the NWA
10 framework. If any changes are supported by the
11 data from the investigation, these changes will
12 be incorporated into the Company's next LCIRP.

13 DOE has agreed that it would not make
14 any further recommendations or modifications to
15 the NWA threshold until after the Company
16 provides a final progress report in
17 December 2027.

18 Appendix A of the Settlement provides
19 all of the details regarding the Investigation
20 Plan, including documentation and reporting.

21 Q Thank you. And, in your respective opinions, is
22 the Settlement Agreement in the public interest
23 and should it be approved together with the
24 Company's 2020 LCIRP?

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 A (Walker) Yes.

2 A (Freeman) Yes. The Company's 2020 LCIRP,
3 inclusive of the October 2022 supplemental
4 filing, meets all of the statutory requirements.
5 The Settlement Agreement, specifically the NWA
6 Investigation Plan, represents a thoughtful and
7 collaborative way for DOE and the Company to work
8 together ahead of the Company's next LCIRP.

9 MS. RALSTON: That's all we have for
10 direct. The Company's witnesses are now
11 available.

12 CHAIRMAN GOLDNER: Thank you. Let's
13 move to the Department of Energy, and Attorney
14 Schwarzer.

15 MS. SCHWARZER: Thank you, Mr. Chairman
16 I don't have any questions for Eversource's
17 witnesses. I do have some questions for my
18 witness.

19 CHAIRMAN GOLDNER: Please proceed.

20 MS. SCHWARZER: Thank you.

21 **JAY DUDLEY, SWORN**

22 **RONALD WILLOUGHBY, SWORN**

23 **DIRECT EXAMINATION**

24 BY MS. SCHWARZER:

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 Q Mr. Dudley, if I could briefly turn your
2 attention to Record Request Response 003, which
3 addresses Order Number 26,362, from June 3rd,
4 2020's requirement for a quote "10 year
5 substation breaker-level loading criteria and
6 forecast." Have you reviewed the response to
7 Record Request Number 003?

8 A (Dudley) Yes, I have.

9 Q And what is your opinion with regard to meeting
10 the requirements in Order Number 26,362?

11 A (Dudley) The record request -- the response to
12 the record request does meet the requirement.

13 Q Could you please comment on the distinction
14 between the record request's reference "in
15 provision of a 10 year feeder level loading
16 criteria and forecast", as contrasted to the
17 order's reference to a "substation breaker-level
18 forecast"?

19 A (Dudley) Yes. The request was for the
20 breaker-level forecast. What Eversource provided
21 was at the feeder level. But it's our
22 understanding that the two are synonymous.

23 Q So, there's a one-on-one correlation between
24 breaker level and feeder level?

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 A (Dudley) That is correct, yes.

2 Q And I would ask Eversource's witnesses to comment
3 at this time as to whether they agree with that
4 assertion?

5 A (Johnson) Yes. We agree with that, that
6 assertion, yes.

7 Q Thank you. Turning, Mr. Dudley, turning to the
8 Settlement Agreement, have you heard the
9 Company's testimony this morning?

10 A (Dudley) I did, yes.

11 Q And do you agree with their description?

12 A (Dudley) I do agree with their description, yes.

13 Q I'd like to ask you a few more particulars about
14 the Settlement Agreement.

15 Turning your attention to the top of
16 Page 2. Is the Company going to issue progress
17 reports annually, in June 2024 and June 2025,
18 regarding the investigation?

19 A (Dudley) Yes. That's part of the Investigative
20 Plan, which is set out in detail in Attachment A
21 to the Settlement Agreement.

22 Q And, turning to Page 3, Paragraph 4, Bullet 2,
23 will the results of the two-year NWA
24 investigation be discussed with the Department,

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 and then incorporated into the Company's next
2 LCIRP filing, or, if that is extended, discussed
3 with DOE no later than December 31st, 2025,
4 whichever is earlier?

5 A (Dudley) Yes. That is what the Plan provides
6 for.

7 Q Could you please give me a brief summary of the
8 goals of the investigation, what it is that DOE
9 believes will be accomplished?

10 A (Dudley) Well, the DOE's initial concerns about
11 the NWA tool was that the threshold that
12 triggered the tool of \$3 million was set too
13 high. We thought that that was too rigid. We
14 thought what it would do is it would force out
15 projects, viable projects, which may have
16 potential for non-wires solutions.

17 Our understanding from the trade
18 literature is that other jurisdictions have lower
19 thresholds. So, we proposed to the Company that
20 they consider lowering the threshold to \$1
21 million.

22 The other threshold that we looked at
23 was their minimum project duration was three
24 years; we asked the Company if they would

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 consider looking at two years. Again, in the
2 interest of making the tool more flexible, and
3 hopefully capturing projects that would otherwise
4 be tossed out of the screening tool.

5 Eversource has agreed to that. We've
6 incorporated that into the plan that's in
7 Attachment A to the Settlement Agreement.

8 Q Mr. Willoughby, would you please comment on the
9 documents referenced in the footnotes in the
10 Appendix, and, specifically, the Rocky Mountain
11 Institute document referenced first in
12 Footnote 1, on Page 1 of Appendix A?

13 A (Willoughby) Yes. That particular reference, the
14 Rocky Mountain Institute Playbook on Non-Wires
15 Solution implementation, that seemed to be a
16 particularly relevant document. It was put
17 together by 65 experts across fifteen states, and
18 included 20 utilities. Three of the utilities
19 were Eversource, Liberty, and National Grid. And
20 the purpose of that particular document or that
21 investigation was to put together a common set of
22 recommendations that would help further NWS or
23 NWA applications.

24 And, so, you see in that particular

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 footnote, that first footnote, it refers to
2 "criteria", and that would be Footnote Number 1.
3 And, on Page 53, it had the -- with the quote
4 there that's in that particular footnote, that
5 suggests that there is no set criteria, that it
6 really needs to evolve over time. And if the --
7 the utilities have found that perhaps some of the
8 criteria is dependent on the system. So, it
9 would be appropriate for each utility to
10 investigate what might be the most appropriate
11 criteria for their specific systems.

12 And then, in that particular document,
13 if you go to the next page, Footnote Number 4, it
14 refers to several pages in there that are very
15 kind of important when you're trying to determine
16 how to deal with NWS. And that would be criteria
17 screening categories and timing. So, Pages 53,
18 54, and 55 in that particular document.

19 And, so, it was -- it was a very
20 excellent reference, we thought, to use as kind
21 of a guideline for this investigation.

22 Q Thank you. And, Mr. Dudley, do you have any
23 follow-up comment on that?

24 A (Dudley) No, I don't.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 Q I would like to ask both Mr. Dudley and Mr.
2 Willoughby, if it's your understanding that the
3 investigation and recommendations for
4 Eversource's next LCIRP will be data-driven, as a
5 result of this investigation?

6 A (Dudley) Yes. That was intentional. We wanted
7 the results or the conclusions reached to be
8 based on hard data, as opposed to interjecting
9 any speculation. So, yes.

10 Q A final question. There's another component of
11 the Settlement Agreement that regards to -- that
12 references DOE's "taking no position with regard
13 to N-1 criteria as applied to DER." Could you
14 just briefly comment on that, Mr. Dudley?

15 A (Dudley) Yes. As Mr. Freeman pointed out, there
16 is an open investigation ongoing with the
17 Department in IP 2022-001. And that
18 investigation was driven by a directive from the
19 General Court in Senate Bill 262, which sets out
20 the parameters of that investigation.

21 Part of that is, essentially, for the
22 Department to investigate all aspects of DER
23 interconnection issues. And our understanding
24 that the use of the N-1 standard is going to be

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 part of that, one of the issues that's raised in
2 that investigation.

3 And, so, we felt that the -- that the
4 Department's investigation would be a more
5 appropriate venue to address that issue, which is
6 a very complex issue, a very, as it turns out, a
7 very information-intensive issue. And, so, the
8 Department believes that the investigative docket
9 is the more appropriate venue for considering
10 those issues.

11 Q And is the Department also the -- the entity
12 leading the investigation, and offering and
13 writing recommendations and findings for the
14 General Court as a result of that docket?

15 A (Dudley) Yes.

16 Q So, let me ask both witnesses on the panel. Is
17 it your -- I guess, specifically Mr. Dudley, is
18 it your position that the Settlement Agreement,
19 and the NWA Investigation Plan attached to that
20 Settlement Agreement, is just and reasonable and
21 in the public interest?

22 A (Dudley) Yes.

23 Q And last follow-up question, with regard to Clean
24 Energy New Hampshire, I don't know if -- they're

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 not yet here. But, at the conclusion of Day 2,
2 Mr. Skoglund had suggested that, pending the
3 outcome of the investigation you've just
4 described, that payments by suppliers or for
5 people proposing to join be suspended. Do you
6 have a position on that recommendation?

7 A (Dudley) Yes. The Department does not support
8 that. One of the questions that remains
9 unanswered from Clean Energy New Hampshire's
10 proposal is, in the interim, who pays? Is it the
11 ratepayer that pays? Are these costs to be
12 socialized over all ratepayers? If that's the
13 case, the Department cannot support that.

14 This particular docket is a planning
15 docket. It's not a cost of service or a rate
16 design docket. There's simply not enough
17 information entered into the record in this
18 docket to take those things under consideration,
19 and the more appropriate venue for that is in a
20 rate case.

21 So, no. The Department does not
22 support that.

23 Q Just one more question about Record Response
24 Number 002 -- excuse me, Number 001, which has to

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 do with Heatsmart. Does the Department have an
2 understanding of why participation has diminished
3 over time in that docket?

4 A (Dudley) Our understanding, based on the
5 response, is that, due to changes in equipment
6 over time, in particular energy efficiency
7 equipment, there's been less interest.

8 I'm sure the Eversource witnesses can
9 speak more specifically to that. But our
10 understanding is that is to be phased out, and
11 that Eversource intends to propose in the next
12 Triennial Plan a demand management program to
13 replace that.

14 Q And would the appropriate Eversource witnesses
15 also comment please?

16 A (Walker) So, I can take the first shot at this.
17 So, I would concur with the statement just made.
18 The current number of grandfathered customers in
19 the program is slowly diminishing, because the
20 rate is no longer being offered. And, so, every
21 person that leaves the rate, essentially, cannot
22 be replaced.

23 MS. SCHWARZER: Thank you. I have no
24 further questions.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 CHAIRMAN GOLDNER: Thank you. Clean
2 Energy New Hampshire has not stepped in. So,
3 let's move to the Office of the Consumer
4 Advocate, and Attorney Kreis.

5 MR. KREIS: Thank you. I think I just
6 have a few questions.

7 And I want to start with this "N-1"
8 issue, because I'm pretty puzzled about it. And
9 I think my first question is for Mr. Freeman.

10 **CROSS-EXAMINATION**

11 BY MR. KREIS:

12 Q Mr. Freeman, I heard you testify about the
13 provisions in the Settlement Agreement that
14 relate to the N-1 standard. And it might make
15 sense for us to remind ourselves exactly what the
16 "N-1 standard" is.

17 Could you maybe describe it in about
18 one or two sentences?

19 A (Freeman) Absolutely. So, the "N-1 standard" is
20 a planning criteria that allows Eversource to
21 reserve operational capacity, in case there is an
22 outage of bulk power system equipment. So, for
23 example, a transformer failure at the substation,
24 there is sufficient capacity in the remaining

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
DiLuca|Moawad|Dudley|Willoughby]

1 transformer to pick up all the load or to serve
2 all the DER that is connected to the system.

3 So, the overriding element of the
4 standard is that, for loss of any bulk power
5 system equipment, no customers should be
6 impacted. And that is the way we have designed
7 the system for load in New Hampshire for a long
8 time. And, with respect to DER, this standard
9 has been applied as far back as 2011 in our
10 ED-3025 standard, which quoted it a different
11 way, but, basically, in the standard, it says
12 that "the DER should not exceed half the
13 transformer capacity." And what that means is
14 that you should reserve as much capacity that's
15 required to serve all of the DER and all of the
16 load. So, basically, don't use up all of the
17 capacity at a substation. Reserve operational
18 flexibility, in case something happens, that's
19 N-1, you can restore all the load and serve all
20 the DER.

21 Q So, as I understand, it's been alleged that the
22 N-1 standard had not previously been applied to
23 DERs. But, if I understood what you just said
24 correctly, that you don't agree with that? You

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 think that's not true. That the Company has been
2 applying the N-1 standard to both the general
3 system and the interconnection of DERs?

4 A (Freeman) That is correct, Attorney Kreis. That,
5 I think, is a misstatement that has made its way
6 into the record. But we tried to correct that in
7 CENH 1-009. And, in that interrogatory response,
8 we provided the standard ED-3025 from 2011, which
9 has the explicit language that "a DER, at any
10 interconnection, at any interface, should not
11 exceed more than half the transformer capacity."

12 Q Okay. In light of all of that, when you were
13 testifying on direct exam a few minutes ago, I
14 thought I heard you say that "the Department and
15 the utility, Eversource, haven't reached any
16 agreement about the N-1 standard." Did I hear
17 you correctly? Was that your testimony?

18 A (Freeman) Yes. The comment was that "there is no
19 substantive agreement regarding the N-1."

20 Q So, in --

21 A (Freeman) There is no disagreement, there is no
22 agreement.

23 Q Okay. So, in other words, your company is asking
24 the Commission to, as to this N-1 issue, approve

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 a Settlement Agreement that says "There is no
2 Settlement Agreement"?

3 MS. SCHWARZER: Ob --

4 MR. KREIS: You have to say the whole
5 word "objection", if you want to --

6 MS. SCHWARZER: Yes. I am going to
7 restrain myself and wait for an opportunity to
8 ask a question myself.

9 BY MR. KREIS:

10 Q Well, I'm just trying to understand why there is
11 a provision about "N-1" in the Settlement
12 Agreement, because my understanding, from Mr.
13 Freeman's testimony, is "There actually is no
14 settlement as to this issue." So, I guess my
15 question is, why is that in the Settlement
16 Agreement?

17 A (Freeman) Since you're asking me that question,
18 Attorney Kreis, I will do my best to answer the
19 question.

20 The N-1 standard, and the debate around
21 it, was not brought into the LCIRP by Eversource.
22 And, in fact, there -- in none of the documents
23 have we discussed, have we sought approval for an
24 N-1 standard. From Eversource's perspective,

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1 this is a standard that has been in place for a
2 long time. It's the way we have studied load,
3 it's the way we have studied DER.

4 Clean Energy New Hampshire, I think,
5 brought this in as a way, and, obviously, they
6 can speak for themselves, I don't want to put
7 words into their mouth. But there's a project --
8 a couple projects that their members have that
9 are seeing above average interconnection costs
10 due to the N-1 provision. And I think they're
11 seeking some method of relief. And this is a way
12 for them to press the issue.

13 But it was not brought into the record
14 by Eversource.

15 Q So, in other words, this was not an issue in
16 dispute between you and the Department?

17 MS. SCHWARZER: I'm --

18 MR. KREIS: I'm just trying to
19 understand Mr. Freeman's testimony. I think I
20 understand what he's saying. I just want to be
21 clear.

22 MS. SCHWARZER: I guess I would object
23 to the extent that any settlement conversations
24 have to do with the N-1 standard. And I think

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1 the Department's been clear that we are taking no
2 position, solely as regarding N-1 as applied to
3 DER, because there is a pending investigatory
4 docket. I believe prior testimony showed that
5 the Department supported Eversource's N-1
6 standards as applied to all other categories.

7 MR. KREIS: I'm not -- I guess I don't
8 know what response to make to that, because I'm
9 just asking Mr. Freeman some questions, and I'm
10 hoping he will answer them.

11 MS. SCHWARZER: I think it's a point of
12 legal clarification by the Department, and please
13 do proceed.

14 BY MR. KREIS:

15 Q Okay. So, here is the situation I think as I
16 understand it. Mr. Freeman, you can tell me if
17 I'm wrong. This is an issue that was introduced
18 into the case by Clean Energy New Hampshire.
19 Clean Energy New Hampshire is not a party to the
20 Settlement Agreement. But, as between the
21 Department and the utility, you've resolved this
22 issue by agreeing that it's not going to be
23 decided, either in the Settlement Agreement or in
24 this case generally?

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 Is that the import of the language in
2 the Settlement Agreement?

3 A (Freeman) Our recommendation is that this is to
4 be taken up in the IP 2000-001 [2022-001?]
5 docket.

6 Q Okay.

7 A (Freeman) And not in this proceeding.

8 Q Thank you. That's helpful. All right. I want
9 to move on to this "NWA" issue. And, hmm, I
10 guess this is still a question for -- well, let
11 me turn to Mr. Dudley.

12 Mr. Dudley, are you aware of the fact
13 that there is a bill pending in the Legislature
14 to repeal the LCIRP statute outright?

15 MS. SCHWARZER: I'm just going to
16 object, because I don't think it's relevant. But
17 I would certainly allow the witness to answer.

18 **BY THE WITNESS:**

19 A (Dudley) I am generally aware of that, yes.

20 BY MR. KREIS:

21 Q Are you aware of what position the Department has
22 taken with respect to that legislation?

23 A (Dudley) I have not been involved in those
24 conversations.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 Q So, your answer to that question is "No, you are
2 not aware that the Department has been supporting
3 the legislation to repeal the LCIRP statute"?

4 A (Dudley) I don't occupy a management or
5 directorship position within the Department, and
6 I have not been involved in those conversations.

7 Q Okay. But that wasn't my question. My question
8 is, are you aware that the Department has
9 supported the legislation to repeal the LCIRP
10 statute?

11 A (Dudley) I have not been aware of that, no.

12 Q Okay. The provisions of this Settlement
13 Agreement, as I understand it, provides that the
14 Company will make a report, and include the
15 results of that report in the Company's next
16 LCIRP. Do I have that right?

17 A (Dudley) Yes.

18 Q What happens if there is no next LCIRP?

19 A (Dudley) Well, then, the requirements of the
20 Plan, as proposed, are moot.

21 MS. SCHWARZER: Objection.

22 CHAIRMAN GOLDNER: Can you please
23 articulate your objection?

24 MS. SCHWARZER: Certainly. I think

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1 it's speculative. And I don't think it's clear.
2 Under the terms of the Settlement, there appears
3 to be an agreement to exchange data irrespective
4 of whether an LCIRP is filed in 2027. And that
5 appears on Page 3 of the Appendix A.

6 CHAIRMAN GOLDNER: Okay. Thank you,
7 Attorney Schwarzer.

8 BY MR. KREIS:

9 Q Okay. So, in other words, Mr. Dudley, if I'm
10 understanding this correctly, the terms of the
11 Settlement provide that certain data will be
12 exchanged between the Department and the Company,
13 regardless of whether or not there is another
14 least cost integrated resource plan?

15 A (Dudley) As explained by Ms. Schwarzer, yes.

16 Q Okay. But you're testifying, Ms. Schwarzer is
17 not.

18 A (Dudley) Yes. Well, I'm just agreeing with her
19 interpretation, and that is correct.

20 Q Okay. If there is no next LCIRP, and that data
21 is exchanged, is there any certainty that that
22 data will then be presented to the PUC, and
23 subject to its approval, with respect to how this
24 Company handles non-wires alternatives?

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1 A (Dudley) Well, that's five years down the road,
2 Mr. Kreis. And, at this point in time, I have --
3 certainly, the intent is to present the
4 information. But I have no idea what's going to
5 happen five years from now.

6 Q And that raises another line of inquiry. I would
7 like to understand, as to non-wires alternatives,
8 maybe this is a question for the Company's
9 witnesses, if the Commission approves the
10 Settlement Agreement, and therefore the Plan
11 appended to the Settlement Agreement for -- it's
12 called the "Eversource Energy NWA Investigation
13 Plan", what is the soonest that we could expect
14 Eversource to implement a non-wires alternative?

15 This is a question for whichever of the
16 Company's witnesses is best able to answer this.

17 A (Freeman) I'll defer to Mr. Walker.

18 Q Mr. Walker.

19 A (Walker) Yes. Perhaps I can take a start at
20 this.

21 So, the Company is already actively
22 using its NWA framework to screen for non-wires
23 alternatives. So, independent of the timeframes
24 proposed in the Settlement Agreement, if the

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1 Company, using its current thresholds, identifies
2 a non-wires alternative, any terms in the
3 Settlement Agreement don't prohibit us from
4 pursuing that non-wires alternative immediately.

5 The Settlement Agreement purely refers
6 to the thresholds the Company uses to screen for
7 the non-wires alternatives. Not any
8 implementation timelines of non-wires
9 alternatives that we determine to be feasible.

10 Q Thank you. So, in other words, you are still
11 asking the Commission, as to the currently
12 pending LCIRP, to approve the thresholds that are
13 in that LCIRP, which, as I understand it, are \$3
14 million and three years. Is that a correct
15 understanding?

16 A (Walker) So, per the Settlement Agreement, for
17 the next year, we would be using that \$3 million
18 threshold and the three-year threshold, as the
19 Company ramps up the use of the tool. And then,
20 in the second year of the analysis, we are going
21 to go ahead and take that down to 1 million and
22 two years, to have a data-driven comparison of
23 the two thresholds, to be able to make a
24 qualified decision going forward.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 Q Mr. Walker, what would happen if there were no
2 thresholds?

3 A (Walker) If there were no thresholds at all,
4 every single project the Company does would be
5 going through the non-wires alternative
6 screening. And the reason why those thresholds
7 exist is that the screening processes take up
8 time and resources. And, based on our
9 experience, as well as the experience across the
10 country, the most promising non-wires alternative
11 projects are those projects that have time to
12 deploy a non-wires alternative, that are
13 significantly expensive, so that enough value can
14 be generated by delaying or postponing a capital
15 investment, and that do not target any age or
16 asset condition-related project. Those tend to
17 be the projects that are successful non-wires
18 alternatives.

19 So, in order to minimize overhead and
20 costs in the NWA screening process, the Company
21 is attempting to focus its efforts on those
22 projects which have the highest likelihood of
23 actually producing a feasible non-wires
24 alternative, hence, the limitations on

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 thresholds.

2 I hope that answers your question.

3 Q Yes, it does. That's very helpful. Thank you.
4 And, as I understood it, from listening to the
5 Department's witnesses testify, the new
6 thresholds that the Company is going to
7 investigate under the NWA Investigation Plan,
8 really arise out of the resource that's cited in
9 Footnote 1 of that Plan, which is a document
10 called "The Non-Wires Solution Playbook - A
11 Practical Guide for Regulators, Utilities, and
12 Developers", that was developed by the Rocky
13 Mountain Institute five years ago. Is that a
14 true statement?

15 A (Walker) Yes.

16 Q And was the Company familiar with that Playbook
17 that the RMI, the Rocky Mountain Institute,
18 issued five years ago, as it developed the
19 current Least Cost Integrated Resource Plan?

20 A (Walker) Yes. So, the Company conducted a
21 nationwide survey. We talked to several
22 utilities, and reviewed all relevant
23 publications, including this document.

24 Q Okay. So, the Company was aware that that

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 practical guide existed. It's the basis for this
2 NWA Investigation Plan. I guess my question is,
3 why not just adopt those standards now as the
4 ones that are appropriate for the evaluation of
5 non-wires alternatives, as opposed to --

6 A (Walker) I would like to push back on one brief
7 statement. As I said, we conducted a wide array
8 of review and talked to other utilities. So,
9 this document alone is not the basis of our NWA
10 framework. In addition to that, the Company has
11 deployed solutions, for example, the battery
12 systems in Provincetown, and has its own
13 understanding of how expensive or how feasible
14 non-wires alternatives were.

15 And, pursuant to the statement by Mr.
16 Willoughby on exactly what's in there, utilities
17 have to make local adjustments to their systems,
18 and the local specifications, and the areas they
19 serve and the customers they serve. So, we took
20 that under advisement. But, from our
21 perspective, the initial thresholds we felt most
22 suitable were the \$3 million for the project size
23 and the three-year implementation timeline.

24 Now, the Department of Energy raised

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 valid concerns about this, and that is why the
2 Company agreed to conduct this analysis in a
3 data-driven approach, to ensure that the final
4 decision on that is based on data, and not out on
5 speculation.

6 Q And, so, a potential outcome of this NWA
7 investigation that you agreed to conduct is that
8 the NWA thresholds will remain exactly where they
9 are now?

10 A (Walker) That is a potential outcome. An example
11 given, to kind of highlight how that might
12 happen, is, if the Company, in the second year of
13 the analysis, finds, and I'll make this as a
14 random number, finds an additional 15 projects
15 they would screen under these new thresholds,
16 compared to old ones, and none of these projects
17 pan out.

18 If none of those projects were to, for
19 example, pan out, then the conclusion from that
20 data is that, while, yes, more projects end up in
21 the screening process, these projects have a very
22 low likelihood of successfully passing the
23 screening project. And, as such, the original
24 thresholds are prudent to prevent the unnecessary

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1 overhead on the screening, if those projects do
2 not actually come to fruition. And, in that
3 case, the Company would propose retaining the old
4 thresholds. Yes.

5 MR. KREIS: Thank you, Mr. Walker.
6 Those are all the questions I have.

7 CHAIRMAN GOLDNER: Thank you, Attorney
8 Kreis. We'll move now to Commissioner questions,
9 beginning with Commissioner Simpson.

10 CMSR. SIMPSON: Thank you.

11 BY CMSR. SIMPSON:

12 Q So, I think, first, I'd like to ask the witnesses
13 to describe some types of non-wires alternatives
14 that have been discussed or contemplated within
15 the Company?

16 A (Walker) I'll take a first shot at that.

17 So, I want to first level-set a bit on
18 the definition of a "non-wires alternative", as
19 the Company has defined it. And that will lead
20 to understanding what all of the technologies we
21 will include in this. From the Company's
22 perspective, a "non-wires alternative" is any
23 solution that changes the load at an asset to
24 match an existing asset, rather than exchanging

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1 the asset to match an existing or forecasted
2 load.

3 So, in that realm, a lot of
4 technologies fit into that. The most commonly
5 considered technologies are energy efficiency
6 programs, battery storage systems, distributed
7 generation, such as solar, and it can also
8 include conventional distributed generation, this
9 could be anything from combined heat and power
10 plants, to fuel cells, to diesel generation.

11 It also includes more complicated
12 technologies, such as conservation voltage
13 reduction, which can be deployed. And, for the
14 distributed resources, it includes both the
15 front-of-the-meter utility-scale assets, so,
16 we're talking large-scale battery storage,
17 utility-scale solar, as well as the
18 behind-the-meter asset classes, so, rooftop
19 behind-the-meter solar or behind-the-meter
20 battery storage systems.

21 Q Has the Company implemented technologies like
22 conservation voltage reduction or battery
23 storage, either in New Hampshire or in other
24 jurisdictions?

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 A (Walker) So, I can talk a bit about other
2 jurisdictions, and then I would pass it to the
3 witnesses in the room to continue the discussion
4 about New Hampshire.

5 So, the Company, in Massachusetts, is
6 implementing conservation voltage reduction on a
7 select number of substations. And the Company
8 has developed the Provincetown battery system, as
9 one solution.

10 And the Company has currently filed for
11 three battery solutions as non-wires alternatives
12 in the State of Connecticut.

13 Mr. Johnson, anything specific to New
14 Hampshire?

15 A (Johnson) We have not directly implemented VVO in
16 New Hampshire. However, I will add that, in the
17 process of our long range planning, we are
18 incorporating certain investments that build the
19 baseline for being able to do that. That being
20 providing controls with forward capacitors and
21 regulators with SCADA control. You know, that
22 has operational benefits for us now, but it also
23 sets the stage to, you know, to allow for VVO in
24 the future.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 A (Freeman) And if I might elaborate a little bit
2 on the whole NWA discussion. So, I'd like to
3 draw the distinction between an NWA and the
4 application of NWA-like technologies. Because
5 what the Company did in Massachusetts was, with
6 the Provincetown battery, identified a specific
7 need, and designed the battery to resolve that
8 need, as opposed to building another line through
9 a protected area that we knew could not be sited.
10 So, that was a specific application.

11 And, in Connecticut, there are three
12 battery storage projects that are being proposed.
13 They're now before PURA. They're going through
14 the adjudicatory process. All three are proposed
15 specifically at substations that had or projected
16 to be beyond their capacity in two years, and
17 would need to be upgraded. And the cost to
18 upgrade those substations were significant enough
19 that putting a battery of a size between two and
20 a half in one case, six and a half megawatts in
21 another case, was economically justified, because
22 it deferred the upgrade of those stations. And,
23 also, we were able to create a micro --

24 *[Court reporter interruption.]*

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1 **CONTINUED BY THE WITNESS:**

2 A (Freeman) Sorry, a micro grid, which provided
3 resiliency for key critical customers. So,
4 again, that was a specific need, and a specific
5 application for the need.

6 In New Hampshire, as the Commission is
7 aware, we have done a study at Loudon Station,
8 looking at a specific need and looking at a
9 portfolio of solutions to address that need. And
10 the portfolio included energy efficiency and
11 demand response, as well as battery storage.

12 But the distinction I want to draw is
13 that, when we are looking at NWA, we are looking
14 at it for that specific need, we study it, and we
15 ensure that whatever assets we're deploying,
16 whether it be a battery, whether it be PV,
17 whether it be demand response, is a distribution
18 asset that we have control over, and that we can
19 ensure that it's there when it's called upon.

20 That it's not playing in the market,
21 and then, when something happens, it's
22 unavailable. So, it has to be dependable, it has
23 to be reliable, and it has to be all at
24 Eversource's control. And I think that's the

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1 distinction between, for example, PV that's been
2 deployed in New Hampshire, and we have deployed
3 about 600 megawatts, or thereabout, of PV over
4 the years. That's not NWA, because that's not
5 under the utility's control. That is not
6 deployed for a specific need.

7 BY CMSR. SIMPSON:

8 Q Okay. That's helpful. So, if I may summarize,
9 and ask you to confirm whether I've understood
10 correctly. Regardless of the technology that
11 you're evaluating, that the Company evaluates, in
12 your mind, a non-wires alternative remains an
13 asset that is within control of the Company,
14 correct?

15 A (Freeman) That is correct.

16 Q Okay. And this conversation around non-wires
17 alternatives came about because of the Company's
18 planning standard, the N-1 planning standard, and
19 the infrastructure upgrades that the Company
20 proposed would be required for several projects
21 to interconnect?

22 A (Freeman) No. Actually, no, Commissioner. Those
23 are two separate increases altogether. The N-1
24 planning standard stands by itself as a Company

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1 planning standard for load and DER.

2 Q Uh-huh.

3 A (Freeman) And the NWA framework was developed
4 totally in isolation from that standard, in order
5 for us to be more responsible in our deployment
6 and our use of ratepayers' funds. And, so, we
7 understand that there is a movement and an
8 appetite for cleaner energy, for more sustainable
9 development. We understand that it's becoming
10 more difficult to site substation infrastructure,
11 particularly in urban-congested areas. And we
12 understand that there are technologies that are
13 becoming more economically viable and more
14 technically viable. Batteries are becoming
15 cheaper, controls are becoming more cheaper,
16 there are new technologies.

17 So, as a company, it's our
18 responsibility to explore every avenue that's
19 least cost or economically viable to serve
20 customers. And, so, that's why we are doing NWA.
21 Nothing to do with N-1.

22 Q Okay. That clarifies a lot from the morning.

23 Thank you.

24 Okay. So, then, for -- jumping over to

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 N-1, that's a planning standard that you've used
2 for decades, I presume, for every type of
3 distribution system investment, correct?

4 A (Freeman) That is correct.

5 Q And, when you have customers that approach you,
6 regardless of what that customer is doing in
7 terms of operation, the Company has leveraged the
8 N-1 planning standard in order to identify the
9 system conditions and potential for needed
10 upgrades in order to meet that criteria, correct?

11 A (Freeman) Absolutely. Yes.

12 Q And I gather that there have been some of your
13 customers that have proposed some projects that
14 would lead to significant interconnection costs,
15 if the Company applied the N-1 standard as you
16 would historically and traditionally do, correct?

17 A (Freeman) That is correct.

18 Q Okay. So, now, explain to me what you're
19 planning to resolve moving forward with that
20 standard? How do you envision the conversation
21 going? What are the points that you are looking
22 to shed light on? The questions that you have,
23 and the input that you're looking to receive from
24 public stakeholders, in the process of evaluating

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 the appropriateness of that planning standard?

2 A (Freeman) Okay. Thank you for the opportunity,
3 Commissioner.

4 So, the N-1 planning standard really is
5 a hallmark and a foundational element of how we
6 provide reliable service to customers. For us,
7 it is almost non-negotiable, that we have this
8 operational flexibility in the system to restore
9 customers when events happen, not "if events
10 happen", but when they happen. Because every
11 year we have failures of transformers in our
12 system. And transformers, power transformers to
13 be specific, are assets that, when they fail, it
14 takes a long time to replace them. They can be
15 out for weeks, they can be out for months at a
16 time.

17 If we design our system so that that
18 spare capacity is not available, we will be
19 putting customers in the dark for weeks to months
20 at a time, if we don't have the ability to
21 restore them via distribution switching or to
22 bring mobile transformers in. Even if we did
23 that, the system would be in an off-nominal state
24 and still be at risk.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 And, so, the best way that we can
2 secure safe, reliable service for our customers
3 is to design the system so that, when a bulk
4 station asset fails, and I'm being very specific
5 with my words, the N-1 standard applies to bulk
6 substation assets, not distribution feeder
7 assets. Like, if a distribution feeder fails, we
8 do switching, but we are not necessarily charging
9 DER customers for the cost of resolving a feeder
10 failure. Okay?

11 So, we are also seeing that, with more
12 DER coming onto our system, it's becoming more
13 and more -- it's becoming more and more important
14 for us to include some bulk system design
15 elements into the distribution system. There
16 have been events in other part of the world and
17 other part of the country where a bulk system
18 event, for example, a transmission line failure,
19 leads to all DER being tripped off line, and then
20 we have cascading blackouts. It happened in
21 Texas. It happened in London a couple years ago.

22 It is something we are very much aware
23 of across our footprint. New Hampshire is not at
24 this stage yet. Massachusetts is getting to that

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 stage, where we are worried that we have so much
2 DER on the system that, if this DER is tripped
3 off line, due to a bulk system event, all
4 customers could be impacted.

5 So, we have taken proactive steps to
6 include in our planning criteria standards that
7 allow us to build a resilient system, a strong,
8 secure system, that is able to withstand the
9 failure of any transmission or substation level
10 element. Okay.

11 Now, what if we didn't do that? What
12 the DER customers are asking for are two things:
13 One, don't study --

14 *[Court reporter interruption.]*

15 **CONTINUED BY THE WITNESS:**

16 A (Freeman) Don't study under the N-1 scenario.
17 That is something that we cannot agree to.
18 Because they're connected to the system, there
19 will be an N-1 event, we have to be able to
20 understand, when we reconfigure the system, where
21 will they be connected, and how will they impact
22 the lines, the capacity of the lines, the
23 reliability of the lines, and other customers.
24 So, that is non-negotiable.

[WITNESS PANEL: Johnson|Freeman|Walker|Cosgro|
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1 The second thing they're asking for is,
2 "Well, on an N-1 event, why don't you just trip
3 me off line, so that I am not contributing to the
4 loading of the assets." And we have considered
5 this. And, when you look at how much DER is on
6 the system, and how much DER is coming onto the
7 system every day, we have doubled the number of
8 applications in 2022 from 2021, and in 2023 we'll
9 probably double the number of applications again.

10 If each large DER were able to choose
11 whether I remain on line or whether I'm tripped
12 off line during an N-1, that creates an
13 operational issue for our Operation Center.
14 Because, when an N-1 event happens, they need to
15 now figure out which DER should remain on line,
16 which DER should I trip off line, before I
17 reconfigure the system. That slows down the
18 response of the Operation Center. And that puts
19 all customers at risk for longer outages than
20 they would normally have.

21 And, so, we are understanding that, in
22 the future, we need to have a more secure
23 operating state. And the only way to do that is
24 to design the system so that we can reconfigure

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1 at a moment's notice, and not worry about who
2 needs to be on line, who needs to be off line,
3 the system should have enough capacity to serve
4 both load and DER in an N-1 or any other
5 configuration that we design for.

6 BY CMSR. SIMPSON:

7 Q Hmm. That sets up an interesting dynamic between
8 the Company and your customers, in that you have
9 an interconnection standard that presumes that
10 they will stay interconnected, based on the
11 conditions that you outline. But, fundamentally,
12 would you disagree with the premise that
13 customers can choose to connect or disconnect at
14 any time on your distribution system?

15 A (Freeman) I would not disagree the premise that
16 customers could choose to connect or disconnect.
17 However, I disagree with the premise that we
18 should not design a system for the worst case.
19 And the worst case is that they are connected.
20 And, so, we have to assume that everyone is
21 connected in the N-1, and design the system for
22 that state.

23 Now, you asked me another question that
24 I didn't answer. What are the -- what are we

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1 asking for or what are the mitigation measures?

2 In other states, both in New

3 Hampshire [*sic*] and in Connecticut, the

4 commissions have also looked at this question.

5 And what has come to light is that it's not

6 really a question of N-1 design and the costs for

7 DER. It's really about "who pays", right? And

8 what Massachusetts did is they developed a cost

9 allocation methodology that allows the cost of

10 the upgrades that allows DER to interconnect on

11 the N-1 and N-0, allows the costs to be shared by

12 all DER who are connecting or who will connect in

13 the future, but also to be shared by ratepayers,

14 because the upgrades also benefit ratepayers, in

15 that it provides reliability, which is synonymous

16 with more operational flexibility.

17 Q So, you'd have some sort of a pro rata, if you're

18 an interconnected DER customer, you pay a certain

19 percentage, but there's a secondary percentage

20 that all customers pay for?

21 A (Freeman) That's exactly right.

22 Q Okay.

23 A (Freeman) So that the upgrade cost is split,

24 let's say 50/50, just for the sake of it. We'll

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1 pay for 50 percent, and then 50 percent of the
2 cost is borne by developers, who pay a dollar per
3 kilowatt rate to connect. And, so, developers
4 who are interconnecting now and developers that
5 in the future would all share that cost. And
6 that resolves the free rider issue, which is
7 really pernicious, in all states where you have a
8 cost causation principle. And it also resolves
9 the queue stagnation issue, where the one who is
10 going to trigger the upgrades, doesn't want to
11 move forward, because he's going to be hit with a
12 tremendous cost of the upgrades, and then one
13 behind him or her will ride for free. And, so,
14 this was seen as a way for us to break that cycle
15 at stations that are congested in Massachusetts.

16 And Connecticut has taken a look at
17 that. And there is a docket right now that's
18 open, and it's looking at cost allocation
19 methodologies for the non-residential customers.

20 So, I would respectfully suggest that,
21 in Massachusetts, if we have such a mechanism, I
22 think it would resolve a lot of the issues that
23 Clean Energy New Hampshire is raising, because
24 it's not really about the N-1. It's about the

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1 costs that the first developer in line has to pay
2 for the upgrades, and everyone else rides for
3 free.

4 Q And would you expect those types of conversations
5 to happen in this future investigation that's
6 facilitated by the Department of Energy?

7 A (Freeman) That's exactly what we are hoping, yes.

8 Q And then, do you expect to rethink the process
9 through which you plan and evaluate future
10 projects? Will there be more of a dynamic rating
11 component? Do you foresee a future where you use
12 time, temporal information and locational
13 information, to more dynamically evaluate the
14 impact of different resources on the distribution
15 system and the cost drivers that result?

16 A (Freeman) I do see a future state where we have
17 the technology to be able to visualize what each
18 DER is doing, and have the ability to control set
19 points, which allows us to use the DER
20 themselves, for example, to resolve some of the
21 voltage issues. Being able to have dynamic
22 ratings, for example, with storage, we are
23 looking at, and Mr. Walker can elaborate much
24 more on this, we are looking at studying storage

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1 by, instead of looking at the worst case, looking
2 at a cycle, so that we give them a storage cycle
3 where they can charge or discharge during certain
4 times of the day. And, so, if you look at your
5 entire load cycle, that translates into a dynamic
6 assessment of energy storage. We are not just
7 assuming it's charging all day or discharging all
8 day, but there are certain windows where the
9 system is maybe more vulnerable. And during
10 those windows, storage would not be allowed to
11 discharge or charge. And, so, that now allows a
12 lower interconnection cost storage, because we
13 are giving it a dynamic schedule. And, so, we
14 are doing things like that. But what helps us to
15 do that more effectively is that we have this
16 technology commonly called "DERMS", Distributed
17 Energy Resource Management System, that allows us
18 the visibility and control capability of assets
19 across our system.

20 Mr. Walker, if you have anything to
21 add, please, please do so.

22 A (Walker) No, I think you covered it really well,
23 Mr. Freeman. Nothing to add.

24 Q Okay. Thank you. And I would just turn to Mr.

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1 Dudley. Is there anything at this point that you
2 didn't offer during direct that you think would
3 be important for us, in terms of considering what
4 the Department would like to see from the Company
5 moving forward, and how the Department would
6 facilitate this investigation to resolve any
7 issues you perceive?

8 A (Dudley) Well, the Plan -- the Plan that's
9 attached to the Settlement Agreement calls for
10 periodic reporting, annual reporting, from the
11 Company, so we can follow their progress. We
12 assume that there may be meetings associated with
13 those, that wouldn't be out of the question. But
14 Eversource has committed to keeping us informed
15 every step of the way, and actually sharing the
16 data that they have collected, data directly from
17 the non-wires tool, where they screen different
18 projects, and giving us an opportunity to study
19 that data and look at it.

20 So, our expectation is that the Plan
21 will be followed. And, at the end, we will be
22 able to make an informed decision as to how to
23 move forward.

24 CMSR. SIMPSON: Thank you. Thank you,

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1 all. I don't have any further questions, Mr.
2 Chairman.

3 CHAIRMAN GOLDNER: Thank you. Let's
4 move to Commissioner Chattopadhyay.

5 CMSR. CHATTOPADHYAY: Good morning.

6 BY CMSR. CHATTOPADHYAY:

7 Q Is any witness here, and I'm talking about
8 Eversource, aware of whether Eversource is a
9 member of the Clean Energy New Hampshire? Does
10 it have a membership in CENH?

11 A (Johnson) I believe that we are. That is my
12 understanding, yes.

13 Q Okay. As I look at the website of CENH, actually
14 it just shows "Unitil" and "Liberty" to be. But
15 I may have -- you may be not in the category of
16 "utility", or somehow it's appearing in some
17 other group. But, within "utility", I'm just
18 seeing it's "Liberty" and "Unitil".

19 A (Johnson) I could be mistaken. I know we engage
20 with Clean Energy New Hampshire. I know we
21 attend their meetings, we attend seminars with
22 them. But I could be mistaken, Commissioner.

23 Q Okay. Are you aware of what the thresholds are
24 for the other New Hampshire utilities, Unitil and

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1 Liberty, in particular?

2 A (Freeman) I'm sorry, Commissioner. You mean the
3 NWA thresholds?

4 Q Yes.

5 A (Freeman) I would defer to my colleague, Mr.
6 Walker. Are you aware of the thresholds?

7 A (Walker) If we are aware of any thresholds
8 applied by other utilities in New Hampshire? The
9 answer is "No."

10 Q Okay. With respect to large-scale NWAs, and I
11 know that there's an issue of definition there,
12 so let's just talk about DERs or storage. Is
13 Eversource aware of any project that is not under
14 the aegis of Eversource, but, you know, some
15 other investor, that is out there already in New
16 Hampshire, and you are dealing with the kind of
17 issues that you just -- you were talking about
18 here, the N-1 conundrum?

19 A (Freeman) An NWA project in particular or --

20 Q Yes.

21 A (Freeman) -- or any project?

22 Q And I'm trying to -- I know that the concept of
23 "NWA" is sort of fluid, I mean, you could have
24 different flavors of it. So, use your judgment

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1 and tell me whether there are projects like, you
2 know, DER projects, and they have to be, I'm
3 assuming, large-scale for you to be concerned
4 about the N-1 issue?

5 A (Walker) So, perhaps I can take a first pass at
6 this, and then pass to Mr. Freeman on the N-1
7 issues we have with large-scale DG.

8 So, going back again, just to clarify
9 on the definition of the "non-wires alternative",
10 that is an asset that's under our control or
11 owned by the utility, and that is in addition and
12 above and beyond what is forecasted.

13 So, our forecast, and I want to make
14 this very clear, already includes subtractions
15 for distributed generation. So, if a lot of
16 solar is being built, and that is forecasted,
17 that's not an NWA. That is just development of
18 the load, and we forecast that.

19 Though, for NWA projects that the
20 utility specifically initiates to defer capital
21 investment into a traditional solution, example,
22 a substation upgrade, we would make sure that our
23 solution meets any N-1 standards. And, as a
24 matter of fact, in the NWA framework there is an

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1 entire section outlining how the Company
2 evaluates those non-wires alternative solutions,
3 in accordance with the N-1.

4 So, that's just on the NWAs. But I'll
5 let Mr. Freeman talk a little bit about any
6 issues we have with distributed generation, large
7 distributed generation, as it's coming on line,
8 not as an NWA, where we have N-1 issues.

9 Q Before you respond, I mean, clearly, you have a
10 certain connotation associated with NWA. I'm
11 trying to understand competitive, let's say,
12 non-wired projects, okay, are in that realm. So,
13 that's why the -- definitionally, I am sort of
14 challenged here. I'm trying to focus on
15 non-utility projects. And I'm trying to get a
16 sense of whether that is already happening in New
17 Hampshire, and, as a utility, you're dealing with
18 that situation as well?

19 A (Freeman) Okay. So, --

20 A (Walker) So, --

21 A (Freeman) Go ahead, Mr. Walker.

22 A (Walker) So, on the topic of "competitive
23 non-wires alternatives", so, and I know I'm going
24 back a bit to our standard definition of this,

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1 but, given the fact that, in order to ensure
2 that -- let's take a large-scale battery, for
3 example. It is fully compliant with its
4 reliability dispatch that is needed for a
5 non-wires alternative, the EDC has to have
6 operational control. That instantaneously
7 disqualifies a battery, again, for example, from
8 almost every market that New England ISO has to
9 offer, except the day-ahead energy markets. That
10 in itself makes business cases for competitive
11 suppliers of these batteries very hard to
12 establish. And what we've seen from the
13 commercial businesses building battery storages
14 is not that they want more utility control over
15 these batteries, but less.

16 So, the concept of having an asset that
17 is dedicated to dispatching how the grid needs
18 it, at any specific point in time, as a grid
19 asset, and a commercial solution is
20 contradictory. So, that -- we don't have
21 competitive NWA solutions where somebody that
22 decided to build a 5 megawatt battery, that they
23 retain control and ownership over, and that
24 somehow defers a substation.

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1 Q Do you want to add something?

2 A (Walker) That scenario just doesn't exist.

3 A (Freeman) Yes. Sure, Commissioner. So, I just
4 want to understand your question better, and not
5 conflate the N-1 and the NWA issues.

6 So, are you asking about large projects
7 in New Hampshire that have been subject to the
8 N-1 standard, whether they're NWA or not?

9 Q No. I'm still talking about --

10 A (Freeman) NWA?

11 Q Yes. And I'm hesitating to say "NWA", because
12 the way it was defined as being part of the
13 utility, you know, terminology. And anything
14 that is competitive, and the utility is not
15 involved in it, but it's a competitive, let's
16 say, demand reduction, okay, approach,
17 competitive storage, competitive DER,
18 large-scale. Is something like that out there
19 that is requiring you, as an utility, to deal
20 with the N-1 issue?

21 And I'm assuming, the way you had
22 described the N minus standard -- sorry -- N-1
23 standard, that's been there for a long time.

24 A (Freeman) Yes.

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1 Q So, that's why I'm trying to understand, are
2 there things happening out there that is
3 requiring the utility to respond, even for,
4 within quotes, "non-wire competitive projects"
5 out there, on a large-scale?

6 A (Freeman) Understood.

7 Q Yes.

8 A (Freeman) So, why this has become an issue,
9 Commissioner, is not because we have done N-1
10 analysis in the past, it's because now that some
11 of our stations are becoming congested, and now
12 that we're seeing larger projects, the N-1
13 analysis is now triggering upgrades and causing
14 costs for developers.

15 Whereas, in the past, there may have
16 been an N-1 that allowed the DER to connect,
17 because there was transformer capacity, and, so,
18 there was no additional cost. So, it was not an
19 issue, right?

20 So, there are some projects now, some
21 large projects, where, and these are projects
22 that Clean Energy New Hampshire are forecasting
23 on, where there is additional costs due to N-1
24 provision.

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1 And maybe Mr. Moawad or Mr. DiLuca can
2 describe one or two of these projects, at a
3 generic sense, not giving the name of the
4 developers, and give the size of the project when
5 you talk about the connection, and how the N-1
6 standard is applied. Because I think that might
7 help, Commissioner.

8 CMSR. CHATTOPADHYAY: Do we -- I'm not
9 sure of whether, do you need to do anything with
10 swearing in, you know, they have to be sworn in?

11 *(Court reporter indicating in the*
12 *negative.)*

13 CMSR. CHATTOPADHYAY: That's already.
14 Okay.

15 **BY THE WITNESS:**

16 A (Moawad) Good morning, everyone. Can everyone
17 hear me? Perfect. Thanks.

18 So, I'd like to first just clarify that
19 the N-1 planning criteria is a way of identifying
20 a system configuration that's different than the
21 normal system configuration, due to a contingency
22 that happens at the bulk substation, mainly
23 triggered by a bulk substation transformer.

24 So, once that additional study case,

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1 which we call an "N-1 case", has been identified,
2 we study the system, and make sure there's no
3 violations, as far as thermal capacity to our
4 lines and substation equipment, or power quality
5 issues during that alternative system
6 configuration using the N-1 contingency. Just
7 wanted to clarify that.

8 And then, once we've identified those
9 cases, we run our study analysis, the same way we
10 would do it for N-0 or the normal system
11 configuration.

12 So, to give the example for the two --
13 or, a couple projects which Mr. Freeman had
14 referred to, so, those projects are typically
15 larger projects, specifically, in New Hampshire,
16 they were PV projects or solar projects that are
17 10 megawatts or larger. And, during the N-1
18 scenario, because there's already existing DER in
19 the system, we have triggered upgrades, such
20 as -- or, upgrades related to voltage violation.

21 So, during that N-1 scenario, we have
22 voltage criteria violations or power quality
23 violations, which would require a larger
24 conductor size, to make sure that, during that

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1 N-1 configuration, we maintain the same power
2 quality standards that we would during the normal
3 system configuration.

4 There is also other projects or another
5 project that would trigger the need for
6 additional transformer capacity at the substation
7 during the N-1 scenario.

8 But those are the two examples that
9 come to mind. The two projects were greater than
10 10 megawatt.

11 But, to kind of also be more specific,
12 if more projects were to come, like, if that
13 project was downsized from over 10 megawatts to
14 take whatever remaining capacity on that
15 transformer -- on that transformer, and then we
16 get another smaller project that's either one or
17 two megawatts, that would trigger the upgrades.

18 I hope that answered the questions.

19 BY CMSR. CHATTOPADHYAY:

20 Q Yes. That was very helpful. So, I'm going to go
21 to the DOE. And let's go to Exhibit 22, Bates
22 Page 004. Are you -- you're there, right?

23 A (Dudley) Yes, I am.

24 Q Okay. So, really, this is just out of curiosity.

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1 If you look at the clause 5.2, it says "Under
2 these" -- sorry -- "Under this Settlement
3 Agreement, the Settling Parties agree to this
4 joint submission to the Commission as a
5 resolution of the issues specified herein only."

6 Okay. Can you just describe what
7 issues weren't resolved?

8 MS. SCHWARZER: Mr. Commissioner, if
9 I -- I just might, I think it's a legal question.
10 And I think it is a standard phrase meant to
11 limit the impact of the Settlement Agreement to
12 just this docket and these issues.

13 I'm certainly happy to allow Mr. Dudley
14 to answer. However, I think the intent is to say
15 "if these similar issues came up in another
16 docket, none of the Settling Parties are
17 prohibited from taking or arguing a different
18 position."

19 And then, I'll -- I just think that's a
20 legal question. But I'm happy to have Mr. Dudley
21 answer.

22 **BY THE WITNESS:**

23 A (Dudley) All of the issues that we -- that we
24 had, Commissioner Chattopadhyay, are resolved by

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1 this Settlement Agreement. As you may recall,
2 one of the primary issues that we had, and we
3 spoke about in our technical statement of January
4 17th, was that the Plan was absent in addressing
5 the criteria of Section 378:39. We requested a
6 supplement filing from Eversource. They filed
7 that filing, we found it to be compliant; and
8 that resolved that issue.

9 We had discussions with them about our
10 concerns regarding the NWA tool. Eversource
11 agreed to study those issues and consider them;
12 we resolved that issue.

13 The N-1 issue, the Department has no
14 position on that, given our ongoing investigation
15 of DER interconnections, Eversource had no
16 disagreement over that; that issue was resolved.

17 So, those are the issues that we had.
18 And those are the issues that are settled in the
19 Settlement Agreement.

20 BY CMSR. CHATTOPADHYAY:

21 Q And not being a lawyer, so, I sometimes struggle
22 with how to characterize settlements. So, when
23 we talk about partial settlements, and the way
24 you're describing it, at least between Eversource

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1 and DOE, this is a -- sort of a comprehensive
2 settlement, because there are no other issues
3 that you need to resolve, right? You've covered
4 everything?

5 A (Dudley) There are no issues between the
6 Department and Eversource.

7 Q Okay. That is helpful clarity for me, because I
8 was going to ask about the next clause, which is
9 where you talk -- you know, which is where the
10 RSA 378:38 and RSA 378:39 is raised.

11 So, I think what you're saying is, it's
12 not showing up in the Settlement, which is that
13 you have resolved all, you know, issues that you
14 had, as far as what's going on between Eversource
15 and DOE is concerned?

16 A (Dudley) Well, there's a legal interpretation. I
17 can give you the analyst interpretation.

18 Q I will be happy to have the analyst
19 interpretation, because I am an analyst. And
20 sometimes it's better.

21 *[Laughter.]*

22 **BY THE WITNESS:**

23 A (Dudley) Which is that we have found, through
24 discovery and through tech sessions with

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1 Eversource, and in the information that they
2 provided, that they are compliant with the
3 requirements of the statute.

4 CMSR. CHATTOPADHYAY: Okay. Thank you.
5 That's all I have.

6 CHAIRMAN GOLDNER: So, I see it's
7 10:30. So, let's take a short ten-minute break,
8 come back with any final Commissioner questions,
9 and then redirect from Eversource and the DOE,
10 and then we can move to closing out the hearing.

11 So, let's take ten minutes, and return
12 at 20 minutes till.

13 *(Recess taken at 10:30 a.m., and the*
14 *hearing resumed at 10:42 a.m.)*

15 CHAIRMAN GOLDNER: Okay. Back on the
16 record. The Commissioners have no further
17 questions. And we can move to Eversource and
18 redirect.

19 MS. RALSTON: I do not have any
20 redirect for the witnesses.

21 CHAIRMAN GOLDNER: Attorney Schwarzer,
22 any redirect?

23 MS. SCHWARZER: Thank you. Just a few,
24 Mr. Chairman. Thank you.

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1 CHAIRMAN GOLDNER: Sure.

2 **REDIRECT EXAMINATION**

3 BY MS. SCHWARZER:

4 Q Mr. Dudley, with the exclusion of the N-1
5 standard as applied to DER, does the Department
6 support Eversource's application of the N-1
7 standard?

8 A (Dudley) Yes. It's our understanding that it's a
9 standard utilized throughout the country by
10 utilities, in terms of the design and planning of
11 their systems.

12 Q And why is it that the Settlement Agreement,
13 that's marked "Exhibit 22", has been described as
14 a "partial" or "narrow Settlement", instead of a
15 "comprehensive Settlement"?

16 A (Dudley) Well, it settles the increases that we
17 had between ourselves and Eversource, and just
18 those issues.

19 Q And, so, as submitted by Eversource -- or, as
20 supplemented by Eversource, the Department's
21 determination was that, as filed, the Plan is
22 compliant, is that correct?

23 A (Dudley) That is correct, yes.

24 Q And we did not negotiate around any other aspect

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1 of the Plan?

2 A (Dudley) No, we did not.

3 Q Could you please turn your attention to
4 Appendix A, "Eversource Energy NWI" -- excuse me
5 -- "NWA Investigation Plan"?

6 A (Dudley) Yes.

7 Q And does part of this document describe and list
8 the types of NWA at issue?

9 A (Dudley) Yes. It's -- let me get there. It's
10 contained in Attachment 1. And that starts --
11 and that starts on Bates 013.

12 Q If I could turn your attention to Bates number
13 014?

14 A (Dudley) Yes.

15 Q Is there a chart that lists a range of
16 technologies that, for the purposes of this
17 Settlement Agreement, are NWA?

18 A (Dudley) Yes, it does.

19 Q And I'm just going to read them into the record,
20 and you can let me know if I've done it
21 correctly: "Energy Efficiency", "Demand
22 Response", "Photovoltaic", "Battery Energy
23 Storage System", "Combined Heat and Power",
24 "Conservation Voltage Reduction", "Fuel Cell",

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1 and "Emergency Generation". Is that correct?

2 A (Dudley) Yes. That's correct.

3 Q Thank you. Mr. Willoughby, if I could ask you
4 please to discuss the basis for the second year
5 threshold changes of three years to one year
6 and -- excuse me -- three years to two years, and
7 3 million to 1 million please?

8 A (Willoughby) Yes. Sure. I'd just like to make a
9 comment related to the first reference to RMI to
10 begin with. In that it notes the difficulty in
11 making a value proposition for NWS opportunities,
12 as Mr. Walker explained. The industry recognizes
13 the difficulty. And, so, their industry is
14 trying to deal with that in some systematic
15 manner.

16 They have identified three keys to
17 success. The screening criteria, identifying,
18 you know, the proper investment opportunity, and
19 being able to come up with practical solutions
20 that can be practically applied.

21 The basis for the two year and the \$1
22 million threshold suggestions actually came from
23 Portland General Electric. In their
24 investigation for their specific utility, that

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DiLuca|Moawad|Dudley|Willoughby]

1 they have decided that, at least for now, that
2 the \$1 million threshold and the two-year time
3 period is appropriate. The reasons for that are
4 given in the second bullet on Bates Page 009, on
5 Appendix A.

6 Q And can you just summarize them?

7 A (Willoughby) Yes. For a multi-feeder/substation,
8 projects typically cost more than a million
9 dollars and take two or more years to complete.
10 If it's a feeder or circuit-specific project, the
11 costs are typically less than \$1 million, and
12 they take nine months or more to complete.

13 So, it made sense for them to set \$1
14 million and a two-year, those two items as
15 thresholds.

16 Q And, when you said "RMI", you meant "Rocky
17 Mountain institute", correct?

18 A (Willoughby) That is correct. The Rocky Mountain
19 Institute Playbook that is noted in Footnote 1.

20 MS. SCHWARZER: Thank you. I have no
21 further redirect. Thank you, Mr. Chairman.

22 CHAIRMAN GOLDNER: Thank you. Okay.
23 We'll thank the witnesses today. The witnesses
24 are excused.

1 And next, I'll inquire as to whether
2 there is any objections to striking
3 identification on the proposed Exhibits 1
4 through 25?

5 MS. SCHWARZER: None.

6 CHAIRMAN GOLDNER: Okay. Seeing none.
7 I'll strike ID on Exhibits 1 through 25 and admit
8 them into evidence.

9 So, now, we'd like to grant leave to
10 have a short -- to have short closing statements
11 offered on the record here today.

12 But, before that, I'll just remind
13 everyone of the opportunity to file post-hearing
14 briefs, and would propose May 9th for the briefs,
15 and then May 16th for the reply briefs. And I'd
16 like to hear from each of the parties on your
17 positions relative to this proposal for closing
18 statements.

19 And, so, without any further adieu, we
20 will move to closing, beginning with -- beginning
21 with the Office of the Consumer Advocate.

22 MR. KREIS: Thank you, Mr. Chairman.

23 I would like to use my closing
24 statement as an opportunity to move or request

1 that the Commission rule from the Bench right now
2 that the Settlement Agreement pending before it
3 be rejected and/or disregarded by the Commission.
4 And I have the following reasons for making that
5 suggestion.

6 The Settlement Agreement, so-called, is
7 full of sound and fury, and yet it signifies
8 absolutely nothing. It's very clear that, as to
9 the so-called "N-1 issue", the Settlement
10 Agreement is simply an agreement not to settle
11 anything. The Parties, the signatories to the
12 Settlement Agreement, the Department and the
13 utility, have agreed not to resolve the N-1
14 issue. And, for that reason, this Settlement
15 Agreement has no significance whatsoever.

16 As the witnesses have acknowledged, the
17 party that has raised issues about the N-1 issue
18 is Clean Energy New Hampshire. Clean Energy New
19 Hampshire is not a signatory to the Settlement
20 Agreement. It opted not -- to not even show up
21 today, because it doesn't really consider
22 anything, I suppose, being talked about in
23 today's hearing as germane to the outcome of the
24 proceeding.

1 So, as to the N-1 issue, there is
2 nothing about today's hearing that produces any
3 evidence that is the least bit germane to the
4 decision the Commission actually has to make in
5 this docket, which is whether or not to approve
6 Eversource's 2020 LCIRP, as it has now been
7 amended, updated, revised, and qualified about a
8 zillion times. So, that's the N-1 issue.

9 As to the NWA issue that is the other
10 subject of the Settlement Agreement, I would like
11 to make two fundamental points.

12 Point number one, it is an act of
13 colossal bad faith for the Department of Energy
14 to come here and say "We have extracted from this
15 Company a bunch of commitments that will inform
16 what it puts in its next least cost integrated
17 resource plan." When, at the same time, the
18 Department is actively urging the General Court
19 to repeal the LCIRP statute altogether. If there
20 are no more LCIRPs, then everything that the
21 Company has agreed to with the Department is of
22 no significance whatsoever to this docket. The
23 Company and the Department can enter into
24 whatever private agreement it wants about what

1 information it will exchange about the extent to
2 which non-wires alternatives might or might not
3 be considered by the Company, under a future
4 regime in which the Company will essentially be
5 free to do whatever it wants as it plans its
6 future, because there will no longer be any least
7 cost integrated resource plan.

8 As to the current Least Cost Integrated
9 Resource Plan, the Company has agreed to do
10 precisely nothing. Nothing. The Company has
11 said that, as to the current LCIRP, it's applying
12 an NWA standard that is inappropriate, that
13 3 year/\$3 million standard that has no basis in
14 fact or good policy. And the Company is even
15 reserving the right to return and continue to
16 apply that standard in the future. So, again,
17 the Settlement Agreement is full of sound and
18 fury, signify nothing.

19 And, on top of all of that, the
20 Department is giving the Commission inconsistent
21 positions with respect to what the Settlement
22 Agreement and its language actually mean. And
23 the Commission should go back and look at what
24 the Settlement Agreement actually says. And this

1 is -- I know this is of interest to the
2 Commission, because I heard Commissioner
3 Chattopadhyay ask about this in particular. And
4 the Department is mischaracterizing the very
5 document that it signed with the Company.
6 Paragraph 4.1 of the Settlement says "The
7 Settling Parties recommend approval of this
8 Settlement Agreement regarding NWA thresholds and
9 analysis and N-1 planning standard for
10 interconnection for DER, as consistent with the
11 provisions of RSA 378, Section 38, and RSA 378,
12 Section 39."

13 What the Department is now telling you
14 is "Oh, we actually intend this Settlement
15 Agreement to be even broader than that. And
16 we're basically telling you that the entire
17 LCIRP", I'm still not sure what the LCIRP
18 actually is at this point, but whatever it is,
19 the Department is telling you now that "it would
20 like the Commission to give its stamp of approval
21 to the LCIRP."

22 Well, for reasons that became plain in
23 Day 1 and Day 2 of the hearing, the Commission
24 should not, and, in fact, cannot do that. But

1 this Settlement Agreement has nothing to do with
2 any of that, sheds no light on any of that.

3 The Chairman at the end -- during Day 2
4 of the hearing, said that he had big reservations
5 about this Settlement Agreement. The evidence
6 adduced at today's hearing does nothing but
7 exacerbate those reservations, or should.

8 And I think, for those reasons, the
9 Commission should just rule right here and now
10 that this Settlement Agreement is of no interest
11 to the Commission and is to be disregarded, if
12 not rejected.

13 As to the briefing schedule that the
14 Chairman asked about, the transcripts of the
15 hearing are of paramount importance as the OCA
16 prepares its briefs in this docket. The
17 Department and the Company have kicked up a whole
18 lot of dust today, such that, unless the
19 Commission grants the request I just made, it
20 will be really important for us to have an
21 opportunity to review the transcript as we sit
22 down to draft our briefs.

23 So, my suggestion would be at least two
24 weeks after Mr. Patnaude completes his Day 3

1 transcript to complete our initial briefs. And
2 then, I think another two weeks after that to
3 draft reply briefs.

4 Since I don't know when Mr. Patnaude
5 intends -- or, is going to be able to file his
6 transcript, I don't know what date to recommend
7 to the Commission at this point.

8 That's all I have to say.

9 CHAIRMAN GOLDNER: Okay. Thank you,
10 Attorney Kreis. Let's move to the Department of
11 Energy.

12 MS. SCHWARZER: Thank you, Mr.
13 Chairman.

14 It's somewhat unusual for an oral
15 motion to be made to strike a settlement
16 agreement at the conclusion of the proceeding,
17 but I would like to address the comments that the
18 OCA made.

19 MR. KREIS: Well, and just to clarify,
20 I'm not suggesting anything be stricken. The
21 Settlement Agreement has been marked as an
22 exhibit. I have no objection to that being
23 admitted as an exhibit at all.

24 MS. SCHWARZER: I stand corrected.

1 It's somewhat unusual to ask that the Commission
2 rule to reject a settlement agreement at the end
3 of a proceeding, but I would like to respond.

4 Certainly, the Department's position
5 objects that this "signifies nothing". I would
6 like to note that Section 2.1 of the Settlement
7 Agreement, which precedes the reference Mr.
8 Kreis -- Attorney Kreis made to 4.1, explicitly
9 states that "The Company recognizes that DOE's
10 position regarding use of the N-1 planning
11 standard for DER interconnection is contingent on
12 the outcome of DOE's current investigation in DOE
13 Docket IP 2022-001."

14 So, the reference in 4.1 to the
15 positions that we believe, as a signing Settling
16 Party, are consistent with the statute, reflect
17 that we believe the investigation and the new
18 criteria are consistent with the LCIRP statute
19 requirements. And that deferring DOE's position
20 on N-1, as applied to DER, is similarly
21 consistent and permitted by the statutes.

22 I wish I could think of a smart
23 literary theme, as the OCA did, "Sound and fury,
24 signifying nothing", but nothing comes to mind.

1 So, I will just emphasize that we believe the
2 Settlement is very meaningful in this instance.
3 There is absolutely no bad faith. It is not --
4 none of the people participating from the
5 Department here today, not Mr. Dudley, not Mark
6 Toscano, nor I, have been part of any legislative
7 effort or work at the Department. I'm unaware
8 aware of what DOE leadership may have said at any
9 hearing. And our goal here today is to move the
10 LCIRP process forward.

11 We have concerns that frequently LCIRP
12 proceedings are delayed beyond the two-year
13 period referenced in the statute. And, so, our
14 Settlement Agreement specified dates for data
15 exchange and the understanding, so that we
16 wouldn't be prohibited from agreeing to some
17 extension, were that necessary or were to come
18 about, in the interest of getting data sooner.

19 We are very interested in the
20 investigation. We do think it's important. And
21 would hope to find a scenario whereby NWAs could
22 be found efficient and appropriate, and that is
23 the purpose of the Agreement that we signed.

24 I would like to -- I certainly reject

1 the OCA's position that "this Settlement
2 Agreement is without meeting." Assuming that the
3 Settlement Agreement were approved, it would
4 become binding. And, certainly, I'm not in a
5 position to make a legal argument at this time in
6 the hypothetical situation that for reason LCIRPs
7 no longer come to be. But I would imagine that a
8 binding settlement is a binding settlement, at
9 least as a preliminary matter.

10 I'm not aware of any inconsistent
11 positions the Department has taken in the
12 Settlement Agreement or its testimony here today.

13 The Department does believe that, given
14 that the General Court, and what was initially
15 Senate Bill 262, and became chapter law 328,
16 directing the Department to conduct an
17 investigation regarding interconnection and DER,
18 and submit a final report, recommendations, and
19 findings to the General Court in December of
20 2024, we think it appropriate for those matters
21 to be handled in that separate docket.

22 We have not limited Eversource's
23 testimony here in any way. There was extensive
24 testimony, I believe on all three days, from

1 Eversource regarding the N-1 standard, and
2 certainly discussed here today as it applied to
3 DER. The Department has simply refrained from
4 taking a position or comment, because of the
5 pending investigatory docket.

6 With the understanding that our
7 prefiled testimony largely supported Eversource's
8 LCIRP plan, and therefore met with both our
9 approval and with the requirements of the
10 statutes, including the supplement, and with the
11 further refinement of the terms of the Settlement
12 Agreement, it's the Department's position that
13 Eversource's Plan is just and reasonable and in
14 the public interest. And we would support the
15 Commission approving that Plan. Thank you.

16 CHAIRMAN GOLDNER: Thank you. And,
17 finally, the closing statement by the Company,
18 and Attorney Ralston.

19 MS. RALSTON: Thank you.

20 I will start by addressing OCA's
21 request that the Commission reject the Settlement
22 Agreement. I will largely echo what Attorney
23 Schwarzer just explained.

24 The Company also agrees that the

1 Settlement is meaningful. We've heard a lot of
2 testimony over the course of the hearings about
3 the N-1 planning standard. It's at the top of
4 mind for some of the parties. And, so, the
5 Settlement Agreement was intended to memorialize
6 DOE's position that they will not reach any
7 conclusions as part of this proceeding regarding
8 the application of N-1 to DER interconnection
9 because of the investigation. I think that's an
10 important distinction. It's important to DOE,
11 and the Company felt that it was important to
12 acknowledge as part of the Settlement Agreement.

13 With respect to the NWA framework, I
14 would wholeheartedly disagree with Attorney
15 Kreis's characterization of the existing
16 thresholds as inappropriate. The Company, as we
17 had testimony this morning, put a lot of thought
18 into those thresholds. They considered
19 publications, they considered their own
20 experience, their particular service territories,
21 in reaching those threshold determinations.

22 However, during the course of these
23 proceedings, we have met with DOE on numerous
24 occasions, through technical sessions, data

1 requests. We heard their concerns that
2 adjustments might be warranted to those
3 thresholds, and the investigation is a way to
4 record data that can guide any adjustments in the
5 future. I don't know what downside there would
6 be to collecting that data and making an informed
7 decision going forward.

8 With respect to the current legislation
9 that Attorney Kreis has referenced, no one knows
10 what the outcome of that legislation will be.
11 But the data will be there, and the Company can
12 use that data to make an informed decision
13 going -- excuse me -- going forward regarding its
14 NWA thresholds.

15 So, I would recommend that the
16 Commission consider the Settlement as it was
17 filed. It's a meaningful document that resolve
18 some issues between DOE and the Company, and
19 allows the DOE to support the filing, as Ms.
20 Schwarzer stated.

21 And then, finally, I will just conclude
22 by stating that, you know, the Company has
23 provided a lot of information to the Commission.
24 And we think taken altogether, the initial

1 filing, the supplements, testimony over these
2 hearings, that the LCIRP is compliant with the
3 statutory requirements and should be approved.

4 Thank you.

5 MS. SCHWARZER: Mr. Chairman?

6 CHAIRMAN GOLDNER: Yes.

7 MS. SCHWARZER: I had neglected to
8 reference the briefing schedule. If I could make
9 a short comment, I would appreciate it?

10 CHAIRMAN GOLDNER: Oh, sure. Yes.

11 MS. SCHWARZER: Thank you. The
12 Department and Eversource consulted with the
13 stenographer ahead of time, and it is our
14 understanding that he would be able to provide a
15 transcript of today's testimony by May 12th. In
16 contemplating the range of topics that the OCA
17 may be seeking to address, we had considered it
18 appropriate to ask for initial briefs to be filed
19 on June 5th, with reply briefs due on June 26th.

20 I understand that may be a longer
21 framework than the Commission is contemplating.
22 But, if every single issue the OCA seeks to raise
23 is briefed, it may take some time for us to reply
24 and to understand both procedural and substantive

1 issues that Attorney Kreis has raised.

2 I've suggested this schedule to
3 Attorney Kreis ahead of time, and I believe
4 Eversource is also onboard with this schedule.
5 But I would certainly defer to the Commission,
6 and invite any party to comment who wishes to.

7 CHAIRMAN GOLDNER: Can you just repeat
8 that back? So, I understood the "May 12th" from
9 the stenographer. What was the briefing date
10 you're proposing?

11 MS. SCHWARZER: The briefing date added
12 three days, because the stenographer needed to
13 add three days. So, it would be May 12th.
14 Initial briefs would be June 5th, and then reply
15 briefs June 26th. We're seeking, in part, to
16 accommodate a vacation as well.

17 CHAIRMAN GOLDNER: And, Attorney Kreis,
18 I may have done the math wrong, but I think you
19 were suggesting two weeks from getting the
20 transcript, and another two weeks for the reply
21 briefs. Is that what I understood you to say?

22 MR. KREIS: That was my suggestion,
23 Mr. Chairman. I did indicate to Ms. Schwarzer
24 that I had no objection to the more leisurely

1 schedule that she -- that the Department and
2 Eversource had apparently agreed to.

3 I'm a wicked fast typist, as you
4 probably know. And, so, my pace of work is
5 probably not necessarily the one that everybody
6 else wants to agree to.

7 CHAIRMAN GOLDNER: But, just to
8 clarify, Attorney Kreis, you would not be opposed
9 to the schedule that's been proposed by Attorney
10 Schwarzer?

11 MR. KREIS: Correct.

12 CHAIRMAN GOLDNER: Okay. Thank you.

13 MS. RALSTON: And I can just confirm
14 that the Company did speak to DOE ahead of time,
15 and we support the proposal from Ms. Schwarzer as
16 well.

17 CHAIRMAN GOLDNER: Okay. So, I'll just
18 repeat that back into the record, so everyone is
19 clear.

20 So, the stenographer -- I think I
21 understood, the stenographer report will be ready
22 on May 12th. Is that what I understood, Ms.
23 Schwarzer?

24 MS. SCHWARZER: That's my

1 understanding, Mr. Chairman.

2 CHAIRMAN GOLDNER: Okay. Okay. Then,
3 the briefs will be due June 5th, and then the
4 reply briefs on June 26th?

5 MS. SCHWARZER: Yes.

6 CHAIRMAN GOLDNER: Okay.

7 MS. SCHWARZER: Thank you, sir.

8 CHAIRMAN GOLDNER: Okay. Very good.

9 Okay. Just wrapping things up. So,
10 Attorney Kreis, on your suggestion that we "rule
11 from the Bench", I'll decline the invitation, and
12 ask the Commissioners to confer in the usual
13 manner to sort out that suggestion. But I
14 appreciate the suggestion.

15 And I'll just ask if there's anything
16 else that we should cover today, before we break?

17 *[No verbal response.]*

18 CHAIRMAN GOLDNER: Okay. Seeing none.
19 We'll look forward to the briefs on June the 5th.
20 And the hearing is adjourned. Thank you.

21 ***(Whereupon the hearing was adjourned***
22 ***at 11:07 a.m.)***

23

24