

THE STATE OF NEW HAMPSHIRE
SITE EVALUATION COMMITTEE

SEC DOCKET NO. 2015–06

JOINT APPLICATION OF NORTHERN PASS TRANSMISSION LLC &
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
D/B/A EVERSOURCE ENERGY
FOR A CERTIFICATE OF SITE AND FACILITY

**EXPEDITED MOTION TO COMPEL OF THE SOCIETY FOR THE
PROTECTION OF NEW HAMPSHIRE FORESTS**

The Society for the Protection of New Hampshire Forests (the “Forest Society”), by and through its attorneys, BCM Environmental & Land Law, PLLC, respectfully requests that the SEC order Dixville Capital, LLC and Balsams Resort Holdings, LLC (“The Balsams”) to produce to the Forest Society all documents and information relevant to its January 19, 2017, data request, including the now-final Work Force Study authored by PolEcon Research on behalf of The Balsams. In support, the Forest Society states as follows:

1. In sum, circumstances have changed because the study is now complete, *see e.g.* Ex. A, and the Applicant is actively using it to promote the proposed project. *See e.g.* Ex. B. Therefore, the Presiding Officer’s prior rationale underlying the denial of a prior motion to compel no longer applies.

2. On January 19, 2017, a data request was propounded upon The Balsams, requesting that “[u]pon finalization, provide the study that the Balsams [undertook] regarding the existing and future labor force in the North Country.” *Memorandum Re: January 19, 2017, Technical Session Data Requests*, 1 (Jan. 23, 2017).

3. Following The Balsams’ objection, the Forest Society filed a Motion to Compel on February 14, 2017. The Balsams objected to this Motion on February 24, 2017.

4. The Presiding Officer issued an Order denying the Motion to Compel on March 10, 2017. Specifically, it concluded that “[t]he information sought by the Forest Society is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence in this docket.” *Order on the Society for the Protection of New Hampshire Forests’ Motion to Compel*, 4 (Mar. 10, 2017) (hereinafter, “Order”).

5. The Presiding Officer’s rationale for denying the Motion was that the study is not yet complete. Specifically, the Presiding Officer emphasized that the Forest Society’s request “seeks to compel documentation and information pertaining to a study that does not yet exist” and is “based on its presumption that Mr. Otten relied on such information in making conclusions regarding the existing and potential labor force of the North County.” *Id.* The Presiding Officer further explained that because the study was incomplete, “Mr. Otten . . . could not have relied on it in making any conclusions relevant to this docket.” *Id.* In conclusion, the Presiding Officer stated that “the Forest Society fails to articulate how such information may be relevant to such a determination.” *Id.*

6. Shortly upon learning that the study was completed, the undersigned requested the study from counsel for The Balsams by phone and over email. On June 9, 2017, The Balsams declined to provide the study, explaining that The Balsams believed the Order was still applicable.¹

7. As it is now complete and being relied upon by the Applicant, it is apparent that the study is relevant and reasonably calculated to lead to the discovery of admissible evidence in this docket.

¹ Pursuant to N.H. CODE OF ADMIN. RULES Site 202.14, the Forest Society has 10 days from June 9, 2017, to file this Motion.

8. In particular, the Forward New Hampshire Fund (the “Fund”) is a material issue in this Docket, having been held out as evidence of the Project being in the public interest in the Application and in the pre-filed testimony of William J. Quinlan. The two advances from this Fund to The Balsams have been enthusiastically touted as among the primary benefits of the Project to the State. Mr. Quinlan and Les Otten (“Mr. Otten”) have publically declared the advances to The Balsams as “quintessential” and “the single best example” of the purposes and uses of the Fund. Transcript of Public Hearing, Holderness, New Hampshire, at 48, line 5, and 49, lines 20 (Mar. 14, 2016), attached as Ex. C.

9. It is now clear that the final study is in fact being used by the Applicants, Applicants’ witnesses, and/or Project proponents to support the claim that the Project will bring benefits to the State and is in the public interest.

10. For example, the Applicants state in their April 2017 Forward NH Plan Newsletter that “[t]he *Work Force Study* showed that redevelopment of The Balsams will generate 600 construction jobs and at least 400 jobs when Phase 1 of the facility opens. Once the build-out of the entire project is complete, The Balsams could employ up to 1,500 people, in addition to the jobs created indirectly through the investment in the greater community.”
Ex. B.

11. In particular, this study is relevant to the claimed benefits of the Balsams Project and the Fund, in connection to the Applicants’ claims that the Project satisfies all criteria for site approval, including the public interest standard.

12. Further, the study is probative of any potential bias of Mr. Otten.

13. Therefore, the Order is no longer applicable and, acknowledging the immediate relevancy of the study in the ongoing hearings,² the Presiding Officer should expeditiously compel the Balsams to produce this study.

14. Pursuant to Site 202.12(k)(4), the Forest Society certifies that it has made a good-faith effort to resolve the dispute informally.

15. The parties below take the following positions with respect to this request:

(a) Concur:

Appalachian Mountain Club
Conservation Law Foundation
Ammonoosuc Conservation Trust
Grafton County Commissioners
Town of Sugar Hill
Town of Franconia
Town of Easton
Town of Plymouth
Town of Pittsburg
Town of Clarksville
Town of Stewartstown
Pemigewasset River Local Advisory Committee
Deerfield Abutters
Whitefield- Bethlehem Abutters
Non-Abutting Property Owners- Stark to Bethlehem
Abutting Property Owners- Bethlehem to Plymouth
Non-Abutting Property Owners- Ashland to Deerfield
Non Abutting Property owners, Bethlehem to Plymouth

(b) Object:
Applicants

(c) The remainder of the parties did not respond to a request for their position.

WHEREFORE, the Forest Society respectfully asks that the Presiding Officer compel Dixville Capital, LLC, and Balsams Resort Holdings, LLC, to produce the information requested and grant such other and further relief as may be reasonable and just.

² *Order Granting Motion to Clarify*, Docket 2015-06, 3 (June 12, 2017) (clarifying that “evidence relevant to the ‘public interest’ standard of RSA 162-H:16, IV (e) and N.H. CODE ADMIN. RULES Site 301.16(a)-(j) may be introduced throughout the hearing”).

Respectfully Submitted,

**SOCIETY FOR THE PROTECTION OF
NEW HAMPSHIRE FORESTS**

By its Attorneys,

BCM Environmental & Land Law, PLLC



Date: June 14, 2017

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that on this day, June 14, 2017, a copy of the foregoing Motion was sent by electronic mail to persons named on the Service List of this docket.



Amy Manzelli, Esq.

EXHIBIT A

Workforce study predicts Balsams will generate at least 1,000 jobs

2017 groundbreaking seen for first phase of redevelopment project

BY JEFF FEINGOLD



A newly released study forecasts that revitalization of the Balsams Resort in the northern New Hampshire town of Dixville will generate 600 construction jobs and at least another 400 when the facility opens.

The study, written by PolEcon Research of Dover, is the third and final report required by the NH Business Finance Authority before it begins considering a \$28 million loan guarantee to Balsams developer Les Otten. It was funded through a \$3 million loan recently given to Otten by Forward NH, an economic development program established by Northern Pass. The loan will be used to assist the Balsams through its design, permitting and financing phases.

According to the report, besides the 1,000 or so jobs forecast for the construction and operational phases, there is a potential that the project could create more than 1,500 jobs once buildout is complete, along with indirect jobs in the communities around Dixville.

The study also finds that there is sufficient available labor in the region to meet the staffing needs of the redeveloped resort and that the resort will actually increase the size of Coös County's labor force and raise the below-average labor force participation rate, especially among younger, working-age residents.

In addition, the study predicts that wages of the newly generated jobs will average more than \$17 per hour.

InDepth NH.org recently reported that, besides the \$3 million in Forward NH funding, Otten has received another \$2 million in loans from Northern Pass.

In a press release, the Balsams said that ground is expected to be broken on the \$160 million first phase of the project later this year. The first phase includes renovation of the historic Dix and Hampshire Houses, and construction of a new hotel, conference center, Nordic Baths and Spa and expanded ski area.

EXHIBIT B

Northern Pass Receives

KEY APPROVAL FROM NH DOT

Northern Pass reached another significant milestone in April when the New Hampshire Department of Transportation (NH DOT) issued its final report to the New Hampshire Site Evaluation Committee (NH SEC) recommending approval of the project. The final report comes after months of review of the application Northern Pass submitted to the state in October 2016.

The NH DOT decision follows the March 1 announcement that the NH Department of Environmental Services also recommends approval of the project following its review of environmental data and studies from along the project route. Both are essential components of the state siting process being conducted by the NH SEC, which is scheduled to render a final decision on the Northern Pass application later this year.



FINAL HEARINGS on Northern Pass Underway

Final hearings on the Northern Pass project began on April 13, launching the last phase of the state permitting process before the New Hampshire Site Evaluation Committee (SEC) returns its decision on the project.

The final hearings began with testimony from Bill Quinlan, Eversource President of NH Operations, who discussed the benefits Northern Pass will bring to New Hampshire, the Massachusetts Clean Energy request for proposals (RFP), and the transmission service agreement between Northern Pass Transmission LLC and Hydro Renewable Energy Inc., a subsidiary of Hydro-Québec.

Hearings have been scheduled through the first week of August, and will continue in May covering topics such as construction, and how the project relates to historical, archeological, and environmental resources.



In April, the hearings covered the following topics:

- A **Project Overview**, including discussion of the Forward NH Fund, Massachusetts Clean Energy RFP, and benefits for New Hampshire
- The **Technical, Financial and Managerial Capability** of the project
- How the construction and operation of Northern Pass relates to **Public Health & Safety**
- **System Reliability** and how the hydropower delivered by Northern Pass will contribute to the regional electric grid



FOR MORE INFORMATION, CONTACT:
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Northern Pass and The Balsams Team Up to Bring Jobs, Tourism to the North Country

The Forward NH Plan, established by Northern Pass, recently committed a \$3 million loan to assist The Balsams Resort through its final phases of design, permitting and financing. The funding is in addition to \$2 million previously provided by the Forward NH Plan and helped The Balsams Resort complete a Work Force Study and advance its application with the NH Business Finance Administration, bringing this important project a step closer to breaking ground.

The Work Force Study showed that redevelopment of The Balsams will generate 600 construction jobs and at least 400 jobs when Phase 1 of the facility opens. Once the build-out of the entire project is complete, The Balsams could employ up to 1,500 people, in addition to the jobs created indirectly through the investment in the greater community.

"The interesting thing here is the future is so bright," said Bill Quinlan, Eversource President of NH Operations, in a recent video about the partnership. "If you think about building on that history and what this actually might look like 10 years from now, it's really exciting. We purposefully picked The Balsams because we think it's such a transformational project for the North Country."

In recent years, the North Country has seen economic setbacks with businesses closing and people leaving the area, said Les Otten, developer of The Balsams Resort project. The joint effort of redeveloping The Balsams and building clean energy infrastructure nearby could have a significant positive impact on the economy, he said.

"This is an extraordinary opportunity because now we're going to get to use renewables and its actually going to reduce our power costs," said Otten. "In addition to that, it creates the opportunity to increase reliability, other businesses to locate near us, potentially an increase in manufacturing again in the North Country with the overall upgrade of lines, and having power being a little less expensive in New Hampshire is a big deal."

"The Work Force Study showed that redevelopment of The Balsams will generate 600 construction jobs and at least 400 jobs when Phase 1 of the facility opens."



You can watch the video on The Balsams Resort redevelopment and the partnership with the Forward NH Plan at <https://thebalsamsresort.com/balsams-forward-nh-video>.

REGULATORS ISSUE FAVORABLE ORDER ON NORTHERN PASS USE OF EXISTING RIGHTS-OF-WAY

New Hampshire regulators issued an order earlier this month that found Eversource has made a reasonable showing that it has the right to lease the use of its existing rights-of-way to Northern Pass. The ruling clears the way for the N.H. Public Utilities Commission to now consider the benefits of the proposed lease agreement between Eversource and Northern Pass.

More than 80 percent of the proposed Northern Pass route is within existing Eversource rights-of-way or buried under public roads. Under the proposed lease agreement, more than 98 percent of the lease revenue received by Eversource will be credited to customers. The NHPUC will now begin to consider the value of the lease and determine whether it is "for the public good."

ABOUT NORTHERN PASS

Northern Pass is a 192-mile electric transmission line project that will provide New Hampshire and New England up to 1,090 megawatts of clean hydropower. This reliable and competitively-priced power will also bring a range of benefits to New Hampshire, including hundreds of millions of dollars in energy cost savings, additional tax revenue, and thousands of jobs during construction and beyond. To learn more about Northern Pass, go to www.northernpass.us. You can also email questions to info@northernpass.us or call 1-800-286-7305.

EXHIBIT C

1 know, if the aspiration was to be in the top five, you
2 know, we have to dramatically change the energy
3 infrastructure in this region.

4 But Northern Pass is a big step in the
5 right direction. You know, right now, we are the
6 highest in the country, and we're going higher. And,
7 not only are we high, we're very volatile. Which means
8 we're having very significant price swings in the wrong
9 direction during the winter months, which is a critical
10 period for many of our business and homeowners.

11 So, it's a step in the right direction,
12 but much more than Northern Pass will be necessary to
13 become truly competitive with the rest of the country.

14 CHAIRMAN HONIGBERG: "Is the ForwardNH
15 Fund currently active?"

16 MR. QUINLAN: Technically, it is not.
17 So, the ForwardNH Fund is a corporate commitment we
18 introduced last year, when we rolled out our new
19 project route. Technically, it doesn't become
20 effective until Northern Pass goes into service. The
21 funding source for the ForwardNH Fund is the Northern
22 Pass Project.

23 Now, I say "technically", because
24 recently we did announce an advance commitment from the

1 ForwardNH Fund. It was made, in essence, by Eversource
2 and its shareholders. And, it was really an
3 opportunity to help to make the Balsams redevelopment
4 project in the North Country a reality. For those of
5 you who followed that project, it is a transformational
6 project for that portion of the state, which is, you
7 know, somewhat depressed and could use, you know,
8 economic development.

9 The Northern Pass Project, which
10 essentially funds the ForwardNH Fund, was in a position
11 to make a commitment to allow a critical phase of that
12 Balsams redevelopment to go forward. So, it's an
13 advance from the Fund. It's essentially being borne by
14 our shareholders. The reason we selected that project
15 is it's exactly the type of initiative that the
16 \$200 million ForwardNH Fund is intended to target.
17 It's in the North Country, it's for the betterment of
18 communities who are hosting the line. It would have a
19 very positive effect on tourism and economic
20 development in the region. So, it's the quintessential
21 initiative for a fund like the ForwardNH Fund, and we
22 took the opportunity to make the commitment.

23 So, it's not technically in effect, the
24 Fund. But, in essence, we've made an initial

1 commitment.

2 CHAIRMAN HONIGBERG: "How will the Fund
3 be administered? If there's an advisory board, who
4 will be on it? And, how will those people be
5 appointed?"

6 MR. QUINLAN: So, ultimately, when we
7 move forward into construction of Northern Pass and we
8 actually place the Project in service, our anticipation
9 is we'll have an advisory board made up of key leaders
10 from across the State of New Hampshire. So, from the
11 business sector and the environmental community,
12 obviously, representation from the North Country. And,
13 essentially, they will may make the determinations as
14 to which initiatives to fund. We're not at the point
15 where we are selecting advisory board members today.
16 If you think about it, this Project wouldn't go into
17 service until 2019. So, we've got quite a bit of time
18 before we actually stand the fund up fully. But, you
19 know, we're already getting inquiries from potential
20 advisory board members, as well as communities for
21 further investments. So, it's an opportunity to make a
22 real difference here in the State of New Hampshire.

23 CHAIRMAN HONIGBERG: "Are there specific
24 programs of New Hampshire Fish & Game that are

1 the vote of our people. Thank you.

2 CHAIRMAN HONIGBERG: Representative
3 Richardson, to be followed by Neil Irvine, and Martha
4 Richards.

5 REP. RICHARSON: Thank you, Mr.
6 Chairman. My name is Herb Richardson, H-e-r-b,
7 R-i-c-h-a-r-d-s-o-n. I'm the State Representative from
8 Coos District 4, the Towns of Lancaster, Dalton, and
9 the unincorporated place of Kilkenny. And, I am the
10 Vice Chairman of the Science, Technology and Energy
11 Committee, in Concord.

12 I am pleased to be here today in support
13 of the Northern Pass Project and ForwardNH Fund. I
14 believe that I speak for the silent majority of the
15 citizens of my district that want to grow our economy,
16 want opportunities for themselves and their families,
17 and want to see the North Country thrive again.

18 Unfortunately, those who speak up in
19 support of this project find themselves a target of
20 harassment and bullying from the opponent of this
21 project. This is something I have seen affect not only
22 myself, but others as well. This is something I have
23 learned firsthand, a few years ago, and again a couple
24 of years when I spoke against legislation on mandatory

1 burial that project opponents were pushing in the New
2 Hampshire Legislature. I was threatened, as many
3 others were, on this subject. Yes, but the New
4 Hampshire House ITL'ed that bill. Yes, threatened
5 personally, I was. But I can tell you, I'm still here
6 today. And, I will not be silent.

7 I fought burial in Coos County down the
8 state right-of-ways. No one could or would show me
9 these right-of-ways. I learned that abandoned rails
10 have been deeded back to the landowners. What's left?
11 Route 3, creating a disaster for what -- that would
12 only cripple the economy of the North Country,
13 affecting transportation in a negative way for a couple
14 of years.

15 I pass along the story only to encourage
16 you to disregard the threats you will receive.
17 Disregard the antics, the stunts, and the bullying that
18 I have enjoyed. Do your job to do the best of your
19 ability, look for the opportunities to make this a
20 better project, and do your best to mitigate the
21 impacts and make a decision based on facts.

22 I believe this project will bring major
23 benefits and opportunities to Coos County. In addition
24 to lower electric rates, which New Hampshire is one of

1 the highest in the country, this project will only --
2 will provide jobs and economic opportunity for
3 residents and businesses of my district.

4 I support the project's decision to
5 provide \$200 million in funding for economic
6 development and other initiatives. Imagine the
7 possibilities. Imagine the projects, like broadband,
8 that could bring -- that could be completed and the
9 problems that could be solved with these funds.

10 I support the project's decision that
11 Northern Pass was providing \$2 million in early funding
12 for the Balsams redevelopment. This is another perfect
13 example of how beneficial this fund could be. This is
14 great news for Coos County, and will help bring the
15 project to completion. And, hopefully, in my lifetime,
16 attend the ribbon-cutting.

17 I would also like to add that I do not
18 dismiss the concerns of my constituents. These types
19 of projects do have impacts. Over the past several
20 years, I have tried to use my position to facilitate
21 solutions to concerns raised. And, I encourage the SEC
22 to do the same and continue to look for ways to
23 migrate -- mitigate the impact of this project.

24 Ultimately, I believe the SEC can and

1 than five years of lobbying by this Applicant, can see
2 through the fog and still knows that the Northern Pass
3 Project is not needed and should not be permitted as
4 processed. Thank you for letting me speak for New
5 Hampshire.

6 *[Audience interruption.]*

7 CHAIRMAN HONIGBERG: Alan McLain, to be
8 followed by Jim Mason, and Harley Mason.

9 MR. McLAIN: My name is Alan McLain --
10 my name is Alan McLain, spelled A-l-a-n, M-c-L-a-i-n.
11 First, I'd like to thank the Forward Fund for choosing
12 the Balsams. Hoping to get the hotel going and the ski
13 area, and the golf course. It's a big tremendous help
14 to Colebrook, New Hampshire, and they need it. I would
15 encourage the Forward Fund to pick, Mr. Chairman,
16 Berlin, New Hampshire as their second choice of a
17 community that certainly needs your help.

18 Now, I'll read my statement. And, thank
19 you for that. I'm a property owner in Berlin, New
20 Hampshire, and a business owner. On the property side,
21 I'd like to see my electric rates drop, and, on the tax
22 side, get some relief. Northern Pass will have a
23 positive impact on both of these problems. Lower
24 energy costs are also important, if we have any hope of