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STATE OF NEW HAMPSHIRE

SITE EVALUATION COMMITTEE

December 22, 2015 - 12:00 p.m.
Public Utilities Commission
21 South Fruit Street Suite 10
Concord, New Hampshire

IN RE: SEC DOCKET NO. 2015-07
SITE EVALUATION COMMITTEE:
Joint Petition of Granite Ridge
Energy, LLC, and Calpine
Granite Holdings, LLC, for
Approval to Transfer Membership
Interests.
(Prehearing conference)

PRESENT: **SITE EVALUATION COMMITTEE:**
Patricia Weathersby, Esq. Public member
(Presiding as Presiding Officer)

ALSO PRESENT: Michael J. Iacopino, Esq. (Brennan Lenehan..)
Pamela G. Monroe, SEC Administrator

COURT REPORTER: *Steven E. Patnaude, LCR No. 52*

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COUNSEL FOR THE APPLICANTS:

Reptg. Calpine Granite Holdings: Mark Beliveau, Esq.
(Pierce Atwood)

John Flumerfelt
(Calpine)

Reptg. Granite Ridge Energy: Maureen D. Smith, Esq.
(Orr & Reno)

Douglas L. Patch, Esq.
(Orr & Reno)

COUNSEL FOR THE PUBLIC:

K. Allen Brooks, Esq.
Sr. Asst. Atty. General
N.H. Dept. of Justice

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P R O C E E D I N G

1
2 PRESIDING OFFICER WEATHERSBY: Good
3 afternoon. My name is Patricia Weathersby. I'm a public
4 member of the Site Evaluation Committee, and been
5 appointed to serve as Presiding Officer over this docket.
6 This is Docket 2015-07, the Joint Petition of Granite
7 Ridge Energy, LLC, and Calpine Granite Holdings, LLC, for
8 approval to transfer membership interests.

9 On October 28, 2015, Granite Ridge
10 Energy, LLC, we'll call "Granite Ridge", and Calpine
11 Granite Holdings, LLC, we'll call "Calpine", filed a Joint
12 Petition with the Site Evaluation Committee, the
13 "Committee", seeking approval to transfer membership
14 interests in Granite Ridge to Calpine.

15 The Joint Petition requested the
16 appointment of a three-member subcommittee under RSA 162-H
17 and an expedited review and approval of the proposed
18 transfer of ownership interests in Granite Ridge to
19 Calpine. On November 13, 2015, an order was issued
20 appointing the Subcommittee.

21 Granite Ridge owns and operates a
22 720-megawatt combined cycle natural gas-fired power plant
23 in Londonderry, New Hampshire, the "Facility". And, it
24 currently holds the Certificate of Site and Facility that

1 was granted in May 1999 to AES Londonderry, LLC. That was
2 SEC Docket Number 98-02.

3 In 2004, the Committee approved transfer
4 of the facility ownership to lenders through a voluntary
5 foreclosure and appointment of a special purpose holding
6 company, which was an entity of convenience to own and
7 operate the facility through a contractor while a
8 purchaser for the Facility was sought. That was SEC
9 Docket 2004-01. The Facility company name was
10 subsequently changed to Granite Ridge, and a new holding
11 company, Granite Ridge Holdings, LLC, was formed to hold
12 the membership interests in Granite Ridge. The Joint
13 Petition requests the Committee to approve the transfer of
14 membership interests to Calpine.

15 We're here today for a prehearing
16 conference. A prehearing conference is an informal
17 proceeding that's authorized by the Administrative
18 Procedures Act and the Site Evaluation Committee
19 administrative rules. The purposes of a prehearing
20 conference are set out on the agenda that is available.

21 Let me now begin by taking appearances,
22 and we'll follow the agenda that's been circulated. If
23 anyone doesn't have an agenda, we can get one for you.

24 MR. BELIVEAU: Attorney Weathersby, my

1 name is Mark Beliveau. I'm an attorney at the law firm of
2 Pierce Atwood, in Portsmouth, New Hampshire. And, I'm
3 here this morning -- this afternoon representing Calpine
4 Granite Holdings, one of the Joint Applicants. And, with
5 me is John Flumerfelt, who's the Director of Government
6 and Regulatory Affairs for Calpine.

7 MS. SMITH: Good morning, madam Chair,
8 and Ms. Monroe and Attorney Iacopino. I am Maureen D.
9 Smith, from Orr & Reno, in Concord, New Hampshire,
10 representing Granite Ridge Energy, LLC. And, with me
11 today is Douglas L. Patch, also of Orr & Reno, in Concord.
12 Thank you.

13 MR. BROOKS: Allen Brooks, Counsel for
14 the Public.

15 PRESIDING OFFICER WEATHERSBY: Thank
16 you. Okay. So, I think first we'll begin with
17 identification of issues in dispute and not in dispute. I
18 don't think there's been any petitions to intervene. So,
19 do either of you care to identify any issues you feel are
20 in dispute?

21 MR. BROOKS: Actually, as far as I can
22 tell, I don't think there are any issues that are in
23 dispute. I did submit a number of questions to have the
24 Applicant voluntarily answer and they've done that. And,

1 I think at some point we'd like to submit those into the
2 record, either in the form they are in now or in a refined
3 form, and we'll work on that together to figure out how to
4 do that.

5 The major question was just a practical
6 matter of making sure the Calpine Corp. was going to be
7 backing whatever the requirements were in the Certificate,
8 they're the parent company of the subsidiary and the
9 holding company. And, again, I think we've done similar
10 things in the past, and we can work that out.

11 But, in terms of disagreements or issues
12 or additional discovery, I don't need any. I've asked the
13 questions. If there were intervenors, obviously, I'd work
14 with them to see what they were going forward with. But,
15 as far as I understand, there have been none.

16 So, at this point, I think Counsel for
17 the Public is satisfied, and we're ready to go forward
18 with the hearing date.

19 PRESIDING OFFICER WEATHERSBY: Great.

20 MR. BELIVEAU: Yes. I agree with
21 everything that Allen said. We're not anticipating
22 submitting any additional prefiled testimony at this point
23 or otherwise amending our Petition. And, our witnesses
24 are ready and available for January 19th.

1 And, assuming no motions to intervene
2 come in today, I think yesterday was the deadline, I think
3 we're in good shape.

4 PRESIDING OFFICER WEATHERSBY: So, no
5 additional witnesses, no additional testimony, no
6 amendments to the Application?

7 MR. BELIVEAU: That's where things stand
8 now.

9 MR. IACOPINO: Madam Chair, may I ask a
10 question?

11 PRESIDING OFFICER WEATHERSBY: Yes,
12 please.

13 MR. IACOPINO: I don't know if I quite
14 understood you, Allen, in terms of you've submitted some
15 data requests or questions to the Applicants. Have you
16 received the answers yet?

17 MR. BROOKS: Yes, I have.

18 MR. IACOPINO: Oh, okay. So, is there
19 any need for there to be any further discovery deadlines
20 of any sort set?

21 MR. BROOKS: No.

22 MR. IACOPINO: Thank you.

23 PRESIDING OFFICER WEATHERSBY: So, there
24 will probably be no motions expected, no issues of

1 confidentiality issues, nothing --

2 MR. BROOKS: Not at this time.

3 PRESIDING OFFICER WEATHERSBY: You're
4 not anticipating filings any motions? Okay.

5 Scheduling, we're on for January 19th,
6 and 20th, if we need it. I don't think there is anything
7 else to schedule.

8 MR. IACOPINO: Doesn't sound like it.

9 PRESIDING OFFICER WEATHERSBY: No. I
10 don't know if we can do this on stipulations, Mike?

11 MR. IACOPINO: Yes. I guess that's a
12 good question. Do you believe that it's possible that the
13 Parties may put together a written stipulation, and
14 perhaps even a proposed order for the Subcommittee?

15 MR. BROOKS: I think it's something that
16 we can work on. I mean, I want to make sure that the
17 Committee, obviously, has the chance to ask the questions
18 that it wants to ask, and has the questions and the
19 answers that we've received as background before that.
20 But I think that we can submit that.

21 And, to the extent, you know, we,
22 obviously, have the previous order for Granite Ridge, that
23 was a little bit different, but we have a template there
24 to work off of. And, if, you know, the opposing counsel

1 wants to work with me, I'm certainly willing to do that.

2 MR. IACOPINO: But it doesn't sound like
3 there's going to be any issues between the Parties to the
4 docket. That's why we ask if there's a written -- I mean,
5 I'm not trying to suggest we're not going to, you know,
6 have the witnesses testify. It's just a matter of whether
7 they're testifying just in support of a written
8 stipulation, or if there is actually anything that there's
9 going to be any disagreement on.

10 MR. BROOKS: Yes. And, again, my -- I
11 anticipate that we'll be able to get some sort of product
12 to you. I would like to have the opportunity to hear what
13 questions the Subcommittee asks of them, before we give
14 our final stamp of approval. But I would anticipate
15 having maybe stipulated language before you, so that, if
16 the hearing goes as we anticipate, that we would
17 presumably entertain a motion to enter that, and we may,
18 in fact, assent to that motion.

19 MR. IACOPINO: And, is there any concern
20 or objection amongst the Parties to going directly into
21 deliberations, once the evidentiary portion of the
22 proceeding is concluded?

23 MR. BROOKS: No objection from the
24 State.

1 MR. BELIVEAU: No objection.

2 MS. SMITH: No objection.

3 MR. IACOPINO: Okay.

4 PRESIDING OFFICER WEATHERSBY: Is there
5 any other business we need to discuss that I might have
6 forgotten?

7 MR. IACOPINO: You don't anticipate any
8 amendments to the Application at all or to the Petition,
9 no new witnesses, no additional prefiled testimony.
10 You're going to submit the answers from the data requests.
11 That's my list.

12 I don't know. Mr. Patch, you seem to
13 be -- am I missing something?

14 MR. PATCH: No. I just thought it might
15 not hurt to note in the record that the affidavit of
16 publication was filed, as required in the Order of Notice
17 that was issued by the Committee. I mean, that's just
18 kind of crossing the "t", I guess, but --

19 MR. IACOPINO: I suppose that's up to
20 you to do that. I probably should have put it in the
21 notice. But, here, I can pull it up for you.

22 MR. BELIVEAU: Attorney Weathersby?

23 PRESIDING OFFICER WEATHERSBY: Yes.

24 MR. BELIVEAU: I think I would like to

1 just add one caveat to that. As Allen Brooks has
2 indicated, he provided questions as Public Counsel; we
3 provided written responses to him. He's indicated this
4 morning that he's satisfied with those responses. Those
5 responses came on my letterhead, kind of a team of people
6 at my client helped work on those responses. So, to the
7 extent that -- we'll talk about how we're going to be
8 submitting them, but, to the extent there might need to be
9 testimony on some of those responses, there's at least a
10 possibility we might have to file additional prefiled
11 testimony by another employee of my client, who would be
12 able to speak on a particular issue.

13 We have two witnesses lined up, one for
14 financial, one for technical and managerial capability,
15 who are very well-qualified senior people. So, I'm
16 reasonably comfortable they can cover the universe. But I
17 just want to mention that there's at least a slight
18 possibility, depending upon how we submit this
19 information.

20 PRESIDING OFFICER WEATHERSBY: Okay. I
21 don't see any issue with that. Do you, Mike?

22 MR. IACOPINO: No. Do you want to just
23 set a date by which it would be submitted?

24 MR. BELIVEAU: Sure.

1 MR. IACOPINO: Maybe Pam has the best
2 idea of when that would be appropriate?

3 MS. MONROE: Well, we've got the hearing
4 on the 19th. And, how much time would you need? So,
5 January 12th, one week prior?

6 MR. BELIVEAU: That would be fine. Yes.
7 Thank you.

8 MR. IACOPINO: And, madam Chair, we have
9 an affidavit of publication that was submitted by Attorney
10 Beliveau, and includes copies of publication in New
11 Hampshire Union Leader of this docket, setting forth both
12 this prehearing conference and the public hearing
13 scheduled for January 19th and 20th, published in the
14 Union Leader on December 11th and the Portsmouth Herald on
15 December 12th, it looks like.

16 PRESIDING OFFICER WEATHERSBY: Thank
17 you. So noted.

18 MR. IACOPINO: And, Mr. Beliveau's
19 affidavit as well has been filed with the Committee.

20 So, other than -- if they're going to
21 file potentially some additional prefiled testimony, I
22 don't expect it to be an issue, but did you, Counsel for
23 the Public, wish to have any time to respond to that? Or,
24 my understanding of what he's saying is there's pretty

1 much, basically, identifying the people who have provided
2 the information to you. But, I don't know if, out of an
3 abundance of caution, you might want us to set a date
4 to -- if you need to file anything after that?

5 MR. BROOKS: Well, it depends in what
6 manner you find acceptable taking additional information.
7 So, given the timeframe that we would be talking about,
8 we're going from January 12th to January 19th. So long as
9 I have the chance to cross-examine whoever provided the
10 testimony on the 19th, then that's probably okay.

11 If they anticipate that there's some
12 entirely new area of testimony that I haven't asked about
13 and haven't provided, that doesn't sound like that's the
14 case, then I might want a date. But, I think, so long as
15 I can cross-examine the people who are making the
16 assertions and were disclosed as providing the testimony
17 on the hearing date, I don't see any -- why I need an
18 interim date between the two.

19 MR. IACOPINO: Okay.

20 PRESIDING OFFICER WEATHERSBY: Attorney
21 Beliveau, will the witnesses be the same two witnesses
22 that you've identified that will be involved in producing
23 this other document, if it is produced?

24 MR. BELIVEAU: Well, that's what I

1 wanted to reserve the right on. Some of -- you haven't --
2 I realize you haven't had the benefit of seeing the
3 questions from Public Counsel, but some of the questions
4 might be outside a little bit the financial, technical,
5 and managerial capability areas. The questions were fine,
6 we were happy to answer them. But I just want to make
7 sure with my client that they're comfortable, that the two
8 witnesses that we are bringing could respond with
9 authority and, you know, well-informed answers in that
10 regard.

11 So, it was really just in the event,
12 after speaking with Public Counsel, depending on we were
13 going to submit his questions and our responses, if he
14 anticipates wanting to hear testimony regarding his
15 questions, we might want to bring another witness who can
16 speak to some of the questions that he asked, if our two
17 identified witnesses aren't comfortable speaking on those
18 topics.

19 PRESIDING OFFICER WEATHERSBY: Okay. Do
20 we need a date for that to be identified? How does that
21 work?

22 MR. IACOPINO: Do we need a date, other
23 than the 12th, do you think?

24 MR. BELIVEAU: Oh, I don't think so. I

1 think that works fine.

2 MR. IACOPINO: And, if Counsel for the
3 Public is fine with that, I don't know why we would need
4 to set any other date.

5 MR. BROOKS: Yes. Presumably, they'll
6 disclose both the identify and the content of any
7 additional testimony on the 12th, if they need to.

8 MR. IACOPINO: And, the Sellers, too, I
9 mean, Doug and Maureen, you don't have any concerns?

10 MS. SMITH: We don't.

11 MR. IACOPINO: Sounds like everybody
12 agrees.

13 PRESIDING OFFICER WEATHERSBY: That's
14 great.

15 MR. IACOPINO: Hasn't happened much
16 lately in this place.

17 *[Laughter.]*

18 MR. BROOKS: Don't plan on it continuing
19 too much longer.

20 PRESIDING OFFICER WEATHERSBY: All
21 right. Does anyone have anything else they feel compelled
22 to add?

23 *[No verbal response]*

24 PRESIDING OFFICER WEATHERSBY: Then,

1 let's adjourn the meeting.

2 MR. IACOPINO: Thank you.

3 PRESIDING OFFICER WEATHERSBY: Thank
4 you.

5 MR. BELIVEAU: Thank you very much.

6 ***(Whereupon the prehearing conference was***
7 ***adjourned at 12:15 p.m.)***

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