

SITE EVALUATION COMMITTEE

DAY 10
AFTERNOON SESSION ONLY

PRESENT:	SITE EVALUATION COMMITTEE:
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Kate Bailey, Engineer	Public Utilities Commission
Harry Stewart, Dir.	NH DES - Water Division
Craig Green, Designee	Dept. of Transportation
Johanna Lyons, Designee	Dept. of Resources & Econ. Dev.
Brad Simpkins, Dir.	DRED - Div. of Forests & Lands
Richard Boisvert, Designee	Division of Historic Resources
Brook Dupee, Designee	Dept. of Health & Human Services
Ed Robinson, Designee	Fish & Game Department

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Reptg. North Branch Group of Intervenors:
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Reptg. Industrial Wind Action Group:
Lisa Linowes

Reptg. Stoddard Conservation Commission:
Scott Simmons

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P R O C E E D I N G

CHAIRMAN IGNATIUS: We will resume after a lunch break, and begin with, unless there's anything to do before we begin with evidence, Ms. Linowes is on the stand with her direct testimony.

(Whereupon **Lisa Linowes** was duly sworn by the Court Reporter.)

LISA LINOWES, SWORN

DIRECT EXAMINATION

BY MR. IACOPINO:

Q. Ms. Linowes, please state your name and address.

A. My name is Lisa Linowes. I reside at 286 Parker Hill Road, in Lyman, New Hampshire.

Q. And, what is your position?

A. I'm the Executive Director of an organization called the "Industrial Wind Action Group".

Q. And, in that capacity, did you file prefiled testimony dated July 31, 2012, which has been marked as "IWAG Number 1"?

A. I did.

Q. Okay. Did you also file prefiled testimony dated October 11th, 2012, called "Supplemental Testimony", which is marked as "IWAG-2"?

A. I did.

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1 Q. And, did you file further supplemental testimony on
2 October 23, 2012, which has been marked as "IWAG-3"?

3 A. Yes, I did.

4 Q. And, is the contents of each of those documents true
5 and correct to the best of your knowledge and belief?

6 A. Yes, it is. But I would like to take this moment to
7 comment that, with the exception of Attorney Roth,
8 Public Counsel, Counsel for the Public, I and all of
9 the other parties have been denied access to specific
10 information that was deemed "confidential", in spite
11 our willingness to sign or abide by the rules in the
12 Committee's July -- rather, June 4th order. And, so,
13 without access to that information, I relied on my
14 professional knowledge of the onshore wind market,
15 which is very current and accurate regarding all
16 operating wind projects in New England, and including
17 Cape Wind. However, the secretiveness of this process,
18 which, in my opinion, is in violation of New
19 Hampshire's Right-to-Know law, has made it difficult to
20 validate this information. That said, my testimony is
21 accurate to the best of my ability. And, if required
22 to produce the same information today, absent the
23 confidentiality -- confidential agreement -- or,
24 confidential information, I would answer the questions

1 the same way.

2 Q. Thank you. And, since the filing of your supplemental
3 testimony, other parties have had the opportunity to
4 file supplemental testimony as well. Do you have
5 anything to add in rebuttal to the supplemental filings
6 of other parties?

7 A. Yes, I do. I have several points I would like to
8 comment on.

9 Q. Okay. I would ask you to please make those points as
10 specific as possible, pointing the Committee to the
11 portions in the record that you are seeking to rebut.

12 A. Yes. Thank you. The first, I would reference Dr.
13 High's October 11th supplemental testimony,
14 specifically Page 5 of 9. Dr. High objects to a
15 statement I made in my testimonies, where I state "New
16 Hampshire has met its RGGI obligation." He goes on to
17 state that "New Hampshire RGGI participants have met
18 their targets in the three-year compliance period
19 ending 2011", but that "participating states have a
20 continuing obligation to reduce the greenhouse gas
21 emissions." And, I agree that those obligations are
22 continuing through to 2018, and perhaps beyond that,
23 but that's not the entire story.

24 In the most recent RGGI auction, which

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1 occurred in September, the RGGI power plants emitted
2 126 million tons. That is considerably below the 188
3 million tons, which is the original cap, prior to New
4 Jersey pulling out of RGGI. Part of that reduction was
5 tied to the recession, part of it was tied to the
6 reduction in the use of coal and oil, and an increase
7 in natural gas, and part of it was tied to increases in
8 energy efficiency and changing of our habits in energy
9 consumption. EIA is also stating that natural gas
10 production will exceed consumption for the rest of this
11 decade, and perhaps further out.

12 So, he had stated that my statement was
13 inaccurate. However, I am stating today that, based on
14 all of the information we have, and my own
15 understanding of RGGI, we are going to continue to be
16 below the cap through till 2018. The cap today is
17 165 million short tons. And, by the end of 2018, it
18 will be 149 million short tons. Again, the trade in
19 September showed 126 million short tons. So, we're
20 well below the lowest level of RGGI.

21 And, my second point, on Page 7 of
22 Dr. High's supplemental testimony, Line 20, he is
23 arguing in this situation that I should not be using
24 the RGGI allowance or the floor price, which is the

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1 current cost of RGGI allowances, to place a price on
2 the environmental benefit of this Project. And, the
3 point being, if he -- his study had found that the
4 Project would reduce emissions by 60,000 tons a year,
5 and the floor price or the current RGGI price for
6 carbon allowance is \$1.92. Which means the carbon --
7 the value of that environmental benefit is roughly
8 \$120,000 a year. Okay. So, he objects to that, my
9 characterization. And, regardless of Dr. High's
10 objection, the fact is, RGGI carbon allowances are at
11 190 -- \$1.92 today. They are likely going to continue
12 to be at the floor price through to 2018, barring
13 something substantial, in terms of the change of RGGI.
14 And, so, however we look at it, the United States right
15 now, the only price available for a carbon ton is under
16 RGGI.

17 California just had its first trade
18 under its own cap-and-trade. Its floor price is at \$10
19 a carbon ton. But that project -- that program has no
20 track record. Its first trade was in November. So, I
21 wanted to make the point that that is a valid means of
22 measuring the value of the carbon emissions reductions.
23 And, it's being used by energy experts all over New
24 England.

[WITNESS: Linowes]

1 On Page 8, Line 8, --

2 MR. IACOPINO: Ms. Linowes, before you
3 begin, --

4 WITNESS LINOWES: Sure.

5 MR. IACOPINO: You keep mentioning
6 "RGGI". Just for the record, if any layperson reads this,
7 could you please tell what that acronym stands for.

8 WITNESS LINOWES: Yes. My apologies.
9 "RGGI" stands for the Regional Greenhouse Gas Initiative.
10 And, it's a program of cap-and-trade relating to carbon
11 emissions in the New England region.

12 MR. IACOPINO: Thank you. Please
13 proceed with your rebuttal.

14 **BY THE WITNESS:**

15 A. On Page 8, of Line 8, of Dr. High's supplemental
16 testimony, he points to the U.S. average levelized
17 costs for renewable generation as a means of
18 understanding the value -- if you wanted to place a
19 cost on building wind energy. He was arguing that wind
20 energy is actually one of the cheaper forms of
21 renewable generation, in terms of constructing it,
22 constructing a power plant, versus other sources of
23 renewables. The issue with levelized costs, and
24 looking at levelized costs, Dr. High does not appear to

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1 understand that the price of electricity in New England
2 is set through a competitive wholesale market. We are
3 no longer a regulated market, and the prices are set by
4 the market. So, demand sets the price.

5 Prior to deregulation, wholesale prices
6 were determined based on a generator's cost of
7 installation, plus direct production costs, and not
8 customer demand. We no longer operate in such a
9 regulated market, and the concept of a levelized cost
10 is not meaningful in New England.

11 Mr. Cofelice, in his supplemental
12 testimony, on Page 17 of 20, Line 18, he seems to take
13 the same objection with my testimony. But, at the same
14 time, on Page 12 of his testimony, this is, again, his
15 supplemental testimony, he appears to contradict
16 himself, where he states, on Page 12, Line 4, he states
17 that, in reference to the Deloitte report, "Deloitte
18 ignores the fact that the price for wind power is
19 determined by the demand of wind power that in turn is
20 driven by State RPS requirements." So, he is
21 acknowledging that the price of energy in New England
22 is based on demand, not based on levelized costs.

23 Further, in Mr. Cofelice's testimony, on
24 Page 7 of 20, he attributes increased costs of RECs to

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1 increasing RPS obligations. "RECs" being "Renewable
2 Energy Credits". "RPS obligations" mean the "Renewable
3 Portfolio Standard". He grossly understates the
4 complexity of the REC market in making his statement.

5 Less than two years ago, Class I RECs in
6 New England were trading at close to \$10, which
7 resulted in some biomass plants actually shutting down.
8 They could not compete at the lower REC prices. This
9 created a shortage of RECs, which drove up prices.

10 And, I'm just giving this example as a means of
11 explaining how the REC market is not necessarily going
12 to be driven up permanently, and to the ACP or the --
13 the ACP, I'm drawing a blank on the definition.

14 MR. IACOPINO: "Alternative".

15 WITNESS LINOWES: Thank you.

16 "Alternative Cost Payment".

17 MR. IACOPINO: "Alternate Compliance
18 Payment"?

19 WITNESS LINOWES: "Compliance Payment".

20 Thank you.

21 **BY THE WITNESS:**

22 A. In turn, when the RPS -- when the REC prices went up,
23 because this is a market, and it is based on supply and
24 demand. As the RECs -- if there's a need for RECs, the

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1 price goes up. If the RECs -- if compliance is met,
2 the REC price goes down. It's a fairly binary market.
3 What happened was, as natural gas prices went very low,
4 REC prices went up. Still, some biomass plants could
5 not compete in that market, because they were dealing
6 with very low REC prices. So, it's -- so, there is a
7 fluctuation of the REC prices. There's some
8 fluctuation, although there appears to be a very stable
9 energy prices.

10 I wanted to point to a specific
11 document, this would be my Exhibit IWAG-E2. This is a
12 memo that I wrote with my colleague, Bill Short, who is
13 an energy expert here in New England. What this states
14 is, it looks at the REC market. And, we found, in
15 evaluating the RECs from 2011, in fact, 80 percent of
16 our RECs, for Class I RECs and new RECs, came from
17 resources already existing. So, -- and, we believe
18 that this is going to continue to be the case. These
19 are RECs -- these are from power plants that are either
20 existing and now qualified under RPS --

21 CHAIRMAN IGNATIUS: Ms. Linowes, I think
22 we're getting a little far afield from what you were
23 rebutting.

24 WITNESS LINOWES: Oh.

[WITNESS: Linowes]

1 CHAIRMAN IGNATIUS: Please try and stay
2 focused on --

3 WITNESS LINOWES: I will.

4 CHAIRMAN IGNATIUS: -- your response to
5 the other witnesses.

6 **BY THE WITNESS:**

7 A. The point being, that there is not going to be a
8 continuing upward pressure on RECs. There are lots of
9 things, lots of factors that are affecting the cost of
10 RECs.

11 On Page 9 of 20, Mr. Cofelice's
12 supplemental testimony, on Line 17, he complains that
13 Deloitte received updated proposals regarding turbine
14 suppliers and balance of plant contractors that
15 Deloitte did not use in putting together its report. I
16 was not privy to any of that information, and, to my
17 knowledge, that information is not in the record. So,
18 my testimony does talk about cost of building on a cost
19 per megawatt basis or kilowatt basis. And, I did not
20 have that information. And, I do not know if it's in
21 the record at all.

22 On Page 13, Line 13, of his testimony,
23 he states: "A buyer of wind power at 90 megawatts" --
24 "at \$90 a megawatt-hour would be able to sell RECs at

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1 the ACP levels and lock in the energy at less than 40
2 megawatts [sic]." This is not the case. If those --
3 if those -- the only time that that could be possible
4 is if that energy was sold to a utility in the State of
5 Vermont, which does not have a mandatory RPS. The only
6 other time it could be possible is if a utility had
7 acquired an excess of renewable energy, and, we know,
8 because renewable energy is so expensive, that that is
9 unlikely to be the case, and it has not proven to be
10 the case in New England.

11 And, one last comment, with regard to --
12 this is with regard to Mr. Magnusson's testimony. This
13 was on cross-examination, as well as Mr. Cofelice, both
14 stated that "wind power acts as a hedge against fossil
15 fuel price volatility." In fact, that is not true.
16 And, it's not true for two reasons. As long as a wind
17 project signs a long-term power purchase agreement to
18 sell its energy, it has taken itself out of the market,
19 and the price of that energy is going to be paid for,
20 and it is not going to be competitively set. So, there
21 is no hedge there. The price is the price. And, it's
22 generally at above-market prices.

23 In addition, it fails to comprehend the
24 concept of the day-ahead market and the real-time

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1 market. Ninety percent of fossil generation in New
2 England is obligated to operate within the day-ahead
3 market, and that price is fixed 24 hours in advance of
4 the power day. The real-time market, which is where
5 most of the wind operates, is not set in advance. And,
6 that price might fluctuate. Wind might have an impact
7 on the real-time market, but it only represents such a
8 small component of New England's overall market, that
9 wind actually will not affect or be effect -- or have
10 any impact on wholesale prices for fossil fuel.

11 WITNESS LINOWES: Thank you. I'm all
12 done.

13 MR. IACOPINO: The witness is ready for
14 cross-examination.

15 CHAIRMAN IGNATIUS: And, we begin with
16 Mr. Roth.

17 MR. ROTH: Thank you.

18 **CROSS-EXAMINATION**

19 BY MR. ROTH:

20 Q. Ms. Linowes, in your initial prefiled testimony, dated
21 July 31st, you took some issue with the way that
22 Professor Mag -- Professor Gittell and Mr. Magnusson
23 performed their Lempster study, correct?

24 A. That's correct.

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1 Q. Did you notice, from that study, whether the -- or, did
2 you note in your testimony whether, in that study, Mr.
3 Magnusson or Professor Gittell included data from
4 before the Project -- data on sales from before the
5 Project was constructed?

6 A. I apologize. I don't -- do not recall if that was the
7 case.

8 MR. IACOPINO: And, we are talking about
9 the Lempster Project?

10 MR. ROTH: The Lempster study that was
11 submitted as "Appendix 14A".

12 BY MR. ROTH:

13 Q. Are you aware that they included post 2005 data?

14 A. Actually, now, I do remember. They did. And, they
15 include -- they include sales data, sales transactions,
16 from both before the project was approved, I believe
17 that it had been announced, it may have been known that
18 it was going to be a project, and also
19 post-construction.

20 Q. So, isn't it true that they used the data from before
21 the project was constructed as sort of the baseline for
22 how the market should have been?

23 A. Yes. They were looking -- and, in fact, the same type
24 of tactic was used in the Lawrence Berkeley National

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1 Lab, where they claimed that they had looked at over
2 7,000 property transactions, of which 4,900 of those
3 were post-construction. So, they were evaluate -- in
4 fact, they were all put into one sum, and they were
5 evaluating what the general trend would be, and whether
6 or not there would be an observed impact on property
7 values after the projects were built.

8 Q. Is it possible that, by the time they were, you know,
9 from the data they collected, the sales that they
10 picked up before the project was constructed, already
11 showed an impact of the project on sales prices?

12 A. That's a really good question, because some of -- and,
13 it is possible. Because that, in fact, Mr. Magnusson
14 makes the point, as do others now, that part of the
15 reason why we see a reduction in the property value
16 around projects is that it's a short-term impact that
17 actually started to begin prior to the projects being
18 built, at the point when it was announced, and people
19 -- the explanation that he is putting out there and
20 others is that there was panic around the project being
21 built. People did what they had to to get rid of their
22 homes or leave their homes before the true impacts
23 happen, and they were unable to then sell their homes.
24 So, it's quite possible that there could be a

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1 reflection of those reduced prices within that.

2 That being said, there's so few homes
3 that are in the dataset that actually are near any of
4 the turbines, whether they're talking about the
5 Lawrence Berkeley study or Mr. Magnusson's Lempster
6 study, that it's difficult to truly understand.

7 Q. Okay. Do you think that, based on the small number of
8 sales within the -- you know, with a view of the
9 project and close to the project, that that creates
10 some -- makes it difficult to make reliable conclusions
11 from that data?

12 A. Yes. I do.

13 Q. Is that why they use the word "caution" in their own
14 study, do you think?

15 A. Yes.

16 Q. Okay.?

17 MR. PATCH: I object to that exchange.
18 I mean, that's -- he's asking her to speculate about why
19 they use certain words in their study, and I just think
20 that's inappropriate. And, I would ask that that be
21 struck from the record.

22 CHAIRMAN IGNATIUS: Mr. Roth.

23 MR. ROTH: I think it's perfectly
24 consistent with what Mr. Magnusson testified to himself.

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1 So, I think we have agreement on that issue with Mr.
2 Magnusson.

3 CHAIRMAN IGNATIUS: Well, I think asking
4 this witness to -- what she thinks about studies is fine.
5 Asking her to guess at what the author meant with the
6 words they used is not where we're going. So, can you
7 keep it focused on her understanding and her view about
8 the study?

9 MR. ROTH: I will ask the question
10 slightly differently.

11 BY MR. ROTH:

12 Q. You saw that he -- that Magnusson used the word
13 "caution" several times in the study, correct?

14 A. Yes. That's right.

15 Q. If you were using -- if you were publishing a study
16 with that kind of data that he had, what would you mean
17 by the word "caution", if you used caution in your own
18 analysis?

19 MR. PATCH: And, I'd object again. I
20 think we're really getting far afield, if -- he's asking
21 her, you know, an incredibly attenuated hypothetical.

22 CHAIRMAN IGNATIUS: Well, I think you
23 did a good job of conforming to what I was getting at, but
24 it seems farther -- it seems farther away from relevance

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1 to what this witness can share. So, if you must go there,
2 tell me why. What is --

3 MR. ROTH: Well, I was, you know, as you
4 pointed out, I was trying to confirm with your directive
5 that I focus on her opinions about that sort of thing.
6 And, so, I've done that. And, I'm feeling a little bit
7 whipsawed between the objection and the overruling of the
8 objection and the suggestion from the Chair that I take
9 this approach. I'll just --

10 CHAIRMAN IGNATIUS: Well, I'm asking
11 you, what's the relevance of going there at all? If it's
12 getter further and further afield, I think that's
13 confirming why I'm concerned about the question.

14 MR. ROTH: Well, the first -- I think
15 the first question, I thought, was relevant. "Does she
16 agree with "caution"? And, I'm trying to establish what
17 it is that she means by that, and --

18 CHAIRMAN IGNATIUS: Well, you're asking
19 her, "if she were to write his report, what would she mean
20 if she used the word "caution"?" So, let's get back to
21 what you're really asking about. Is it something about
22 her view about the information contained in the report,
23 not who's -- what she means in drafting a hypothetical
24 report?

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1 MR. ROTH: The question that I asked her
2 was, "if she were to write a report with that kind of data
3 in it, how would you urge "caution" to a user of it?"
4 And, so, we've got this sort of --

5 CHAIRMAN IGNATIUS: Well, I'm going to
6 block the question. I don't think you're getting anywhere
7 consistent with what the point of this witness's testimony
8 and what you're looking for. If you want to ask her her
9 response to the report, that's fine. But, to have her
10 rewrite it and tell you what she means by the words, is --
11 I don't understand the relevance.

12 MR. ROTH: Well, that brings me back to
13 the whipsaw. I asked the question, it was objected to,
14 followed by a motion to strike. And, she answered -- I
15 don't know if she even got a chance to answer it. I was
16 told by you to ask it in a different way. And, now you're
17 telling me that the way you told me to ask it was
18 incorrect, and I should have asked it the way I asked it
19 in the first place. So, --

20 CHAIRMAN IGNATIUS: No. I'm asking --
21 I'm trying to get you to focus on Ms. Linowes' response to
22 the study, not her guess at what the witness -- what the
23 author may have meant, and not, if she were to make up her
24 own report and used that word, what that might mean. I'm

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1 asking you to respond -- have her respond to the study. I
2 assume that's what the point of the questioning is?

3 MR. ROTH: It is.

4 CHAIRMAN IGNATIUS: Then, ask it
5 directly.

6 MR. ROTH: Let me try it this way.

7 BY MR. ROTH:

8 Q. You saw that they used the word "caution", and what
9 would you do to "use caution"? If you were asked to
10 use that data for something, how would -- what would
11 caution mean to you? How's that?

12 A. That's -- if I were to write -- if I were to conduct
13 the same study, and --

14 Q. No, that's not the question. The question is, the
15 study says "use caution with this data". How would you
16 exercise caution in using that, the data in that study?

17 A. The use of the word "caution" in Mr. Magnusson's study,
18 he explains it. I don't have to put words in his
19 mouth. I'm in his conclusion, on Page 28 of his study,
20 which is second paragraph, and I apologize, I don't
21 have the exhibit number. He states: "There were very
22 few transactions within a very close distance to the
23 turbines, and also very limited sales of properties
24 with views of turbines, so some caution must be used in

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1 interpreting these results." I believe that's --

2 Q. That's his words. We understand that. But what I'm
3 trying to understand is "some caution", what does that
4 mean and what should we do with that, in your opinion?

5 A. It is apparent, in reading his report, that the
6 statistical study that he conducted was -- does not
7 necessarily apply, it is -- we're looking at averages
8 here, when, in fact, there is quite possible homes with
9 a view of the turbines in Lempster have been impacted,
10 due to sound or visual effects. And, I would use
11 caution to really try to understand what the effects
12 were by the people that are truly impacted by the
13 project.

14 Q. Okay.

15 MR. IACOPINO: And, just for the record,
16 so that anybody reading this transcript will know that the
17 document that they're referring to has been marked as "AWE
18 3, and it's Appendix 14A, or electronic Document 27 within
19 that exhibit.

20 MR. ROTH: And, I apologize to the Chair
21 for seeming quarrelsome. It was just a frustrating finger
22 trap I felt myself in.

23 CHAIRMAN IGNATIUS: And back at you,
24 Mr. Roth. I think I was feeling frustrated as well.

1 BY MR. ROTH:

2 Q. Your testimony takes issue with the Applicant's
3 evidence on capacity factor. And, do you recall
4 testimony where it was posited that the higher turbine
5 with the larger rotor produces better capacity factor?

6 A. Yes.

7 Q. And, is it your -- is there a relationship, as far as
8 you know, between hub height, wind turbine size, and
9 capacity factor? And, I guess, really, the question
10 is, is there, if you take a -- is there sort of a
11 linear or even a curve that can be plotted that shows
12 some sort of an engineering relationship between those
13 things? And, so that, if you take a smaller turbine
14 with a smaller rotor, do they generally have lower
15 capacity factors in some discernable, measurable way?

16 MR. PATCH: I'd like to object. I don't
17 think there's been any foundation to establish that she's
18 an engineer or that she would be capable of answering that
19 question.

20 MR. ROTH: She's made lots of statements
21 and opinions about "capacity factor", and she has a great
22 deal of experience in reviewing this kind of information.
23 She's not offered herself as an expert or an engineer.
24 So, you know, her qualifications, it seems to me, goes to

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1 weight, not to admissibility.

2 CHAIRMAN IGNATIUS: Well, I think, in
3 her direct testimony, her Supplemental 2, in October 23rd,
4 she does talk about "higher hub heights and a larger rotor
5 diameter facilitating a better capacity factor". So, I
6 think it's directly responsive to the direct. You can
7 proceed.

8 MR. ROTH: Thank you.

9 **BY THE WITNESS:**

10 A. Yes. Now, I want to define the concept of "capacity
11 factor" very quickly. So, it is -- what we're talking
12 about is the production relative to the nameplate of
13 the unit. So, if it's a 1.5 megawatt turbine,
14 100 percent capacity would be 1.5. Turbines here --
15 and, what we're finding -- so, to answer your question,
16 that as -- the expectation is, as hub height is higher,
17 then you're going to catch more winds higher up. And,
18 then, when you add longer blades to that, you're going
19 to catch more wind. So, we would expect that the
20 capacity factor's performance of the turbine will be
21 better.

22 That being said, there's a difference
23 between "wind data" and "wind generation". And, we
24 have consistently found, across New England and in New

[WITNESS: Linowes]

1 York, that the wind developers, based on wind data that
2 they collect, has not translated into the kind of
3 performance that we're hearing. So, the projects, for
4 instance, all over New York were promised to be in the
5 32 to 35 percent capacity factors prior to
6 construction. These were all pretty typical turbines,
7 between one and a half and two megawatts in size, and
8 they were all modern. Most of them were built post
9 2006. And, the reality is, none of those projects are
10 performing better than 26 percent capacity factor. So,
11 there is a big difference between the ideal conditions
12 and doing all the right things from an engineering
13 perspective, and then the reality of production.

14 BY MR. ROTH:

15 Q. Is it -- has it been your experience and -- or, I
16 should say "your observation" in looking at many of
17 these projects in the Northeast, that over the years
18 there have been, and perhaps, and I'm not trying to
19 make any sort of a judgment on this, but a tendency by
20 the industry to overstate capacity factor during the
21 permitting process, when compared to the performance of
22 the project once constructed?

23 A. We do -- well, they have levels at which they report
24 the capacity factors. There's the P90, the P50, the

[WITNESS: Linowes]

1 P99. And, the number that we get during the permitting
2 process, the number that's made public, is typically
3 the P50 number, which is it has a 50 percent chance of
4 achieving this capacity factor, in simple terms. And,
5 that number is typically greater than the actual
6 performance. In fact, when we -- when we went through
7 -- when this Committee went through the Granite
8 Reliable Project, that project, under Noble
9 Environmental, had claimed a much higher P50, than the
10 more experienced Brookfield who came in and relooked at
11 the same wind data and re-evaluated the numbers, and
12 they came in closer to 30 percent capacity factor. So,
13 it depends.

14 Yes, we see that the numbers are
15 typically higher than actual performance. And, we also
16 find that there's an experience there.

17 And, the issue I have with this Project
18 in particular is, it's an onshore wind project in New
19 England, where we have not seen performances -- there's
20 only one project in New England operating at 30 -- that
21 has ever operated at 36 percent capacity factor, that
22 was Mars Hill, in its first year of operation. We have
23 not seen that reproduced since. That went on line in
24 2007.

[WITNESS: Linowes]

1 But what we're being told here is that a
2 project, onshore, with turbines that are about the size
3 -- that are actually not going to be as big as the
4 turbines on Cape Wind, an offshore project, is somehow
5 going to produce the equal capacity factor of Cape
6 Wind, which is advertised to have a 39 percent capacity
7 factor. That seems a little unbelievable. Given that
8 we are on a ridgeline, with a lot of variation in the
9 winds, versus what you would have offshore, where you
10 truly have prevailing winds. So, there should be some
11 caution, in my opinion, as to whether or not that
12 capacity factor is achievable, even with the higher hub
13 height.

14 Q. Okay. Do you think the capacity factor depends, at
15 least in the computation at the pre-construction stage,
16 does it depend on using accurate and reliable weather
17 data?

18 A. It's a combination of the reliable -- the weather data
19 itself, which is very important, but also the
20 interpretation of that weather data, for instance the
21 shear that they put -- they are -- they have a met
22 tower where they're collecting wind speeds at certain
23 levels. But they're not -- they're not collecting wind
24 data at the current hub height of the tower, which is

[WITNESS: Linowes]

1 going -- which is taller than the highest met -- the
2 highest location where they're collecting wind. So,
3 they do have to interpolate to make an estimate, an
4 informed estimate as to what the wind speeds will be at
5 hub height. And, that depends a lot on what they're
6 assuming to be the wind conditions as they go up and
7 what the wind shear will be. And, I'm not a
8 meteorologist on this, but, since the wind data is
9 important, but also the assumptions made and when they
10 extrapolate up to hub height are important.

11 Q. Did you have an opportunity to review the letter
12 submitted to the Committee, and now on the Committee --
13 I guess it's on the docket, by Dr. Fred Ward, dated
14 November 8, 2012?

15 A. I did.

16 Q. And, do you agree generally with the observations and
17 conclusions that he makes in that letter?

18 A. In terms of the noise or in terms of the --

19 Q. Oh, no. I guess noise is his conclusion, but, in terms
20 of his analysis of the wind information and using
21 average winds, average shears, average stability.

22 A. Yes.

23 Q. Okay.

24 A. I do agree with it.

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[WITNESS: Linowes]

1 Q. And, do you agree that, if you use averages like that,
2 you're going to underestimate the noise and
3 overestimate the capacity factor?

4 A. Absolutely. The noise -- and, I can tell you that, in
5 particular, you're certainly going to underestimate the
6 noise.

7 CHAIRMAN IGNATIUS: I'm sorry. Did you
8 say "overestimate the noise"?

9 WITNESS LINOWES: Underestimate the
10 noise.

11 BY MR. ROTH:

12 Q. Now, you noted in your testimony dated October 23rd
13 that, on Page 3, starting on Page 2, and moving along
14 onto Page 3, you say "based on the information
15 presented in the Deloitte report, AWE appears to
16 grossly understate the project cost." What is the --
17 and, I guess my question is, well, you know, so what?
18 Why do we care about that?

19 A. The project cost is important when you're evaluating
20 the total, the costs of the project to the public.
21 And, by that, I mean that, since wind energy does not
22 have a fuel cost associated with it, the real cost of
23 the project is its capital costs. And, if you -- when
24 you build a project, your expectation is you're going

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1 to recover your capital costs, and you recover it in
2 New England in several ways. In any event, wind
3 projects in -- across the country, but definitely in
4 New England, are not financially viable, because
5 they're expensive to build, and they operate at only
6 roughly 30 percent of the time. So, you're not
7 producing enough electricity to cover your capital
8 costs. That's why you need RECs, Renewable Energy
9 Credits, that's why you need the Production Tax Credit.

10 If an Applicant understates the cost of
11 his project, then he's out in the public stating that
12 he's closer to being financially viable, he's closer to
13 being on par with natural gas prices when the project
14 is built. And, that -- and, then, it then becomes an
15 after-the-fact, when we start looking at the kind of
16 above-market costs we end up paying for that project.
17 Then, when we're balancing the benefits of the project
18 it's going to bring to the community or to the region,
19 we need to understand the costs that it's going to
20 create. And, those costs are generally in the form of
21 above-market costs, above-market energy costs. So,
22 understating the project costs will understate the true
23 cost of the project to the public.

24 Q. So that somehow the cost of construction gets passed

[WITNESS: Linowes]

1 onto the consumer with a power purchase agreement or --

2 A. Yes.

3 Q. -- market rates?

4 A. Yes. So, what happens is, as a developer, I have a
5 certain amount of money that I have to -- I have to
6 recover my capital costs and I have to recover some
7 profit. So, when I sit down with a utility to sign a
8 power purchase agreement for my project, I have an
9 expectation that I need to earn a certain amount of
10 money per kilowatt-hour to recover my costs. And, I'm
11 assuming here that I'm probably getting federal
12 subsidies, in the form of a Production Tax Credit.

13 So, that power purchase agreement, of
14 which we have not been -- no other party, other than
15 Counsel for the Public, has been privy to any of the
16 economics of this Project. But -- and onshore wind
17 projects today are signing power purchase agreements in
18 the range of 9 to 11 cents per kilowatt-hour. So, the
19 lower -- if your project costs are actually very low,
20 you may be able to come in at under 9 cents a
21 kilowatt-hour, this is wholesale. If your project
22 costs are very high, you're going to be up in the 11
23 cent range, and it will fluctuate there. But, if we
24 don't have, if this Committee, if the parties, do not

[WITNESS: Linowes]

1 have a good understanding of the capital costs, we
2 can't begin to fully understand what we can expect in
3 above-market costs for this Project.

4 Q. Now, you mention in your testimony some information
5 about the Production Tax Credit, and you just mentioned
6 it again. What's the status of the Production Tax
7 Credit at this point?

8 A. It's due to expire at the end of this year.

9 Q. Is that part of the "fiscal cliff"?

10 A. Yes, it is.

11 Q. Or, is that a separate problem?

12 A. Well, it depends on which party you talk to. There are
13 some members of Congress that would like to see it
14 bundled in with a large extender package. And, in
15 fact, the Senate Finance Committee in August did pass,
16 out of committee, a bill that included a one-year
17 extension of the Production Tax Credit. There are
18 members of Congress that would like to see that, as it
19 was passed out of the Senate Finance Committee, become
20 part of a larger extender package at the end of the
21 year, others are firmly saying "we can't afford it",
22 because it will be -- it's a \$12 billion cost over ten
23 years. So, we don't -- actually, I can't even tell
24 you. It's 50/50 right now, in my opinion.

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[WITNESS: Linowes]

1 Q. Okay. Do you recall from the testimony, in our
2 previous series of hearings, about how the Acciona
3 3-megawatt turbine is "unproven"?

4 A. Yes.

5 Q. And, I note in your testimony you say "Acciona has not
6 commercialized this turbine yet and no installation in
7 the world includes an operating model of this turbine"?

8 A. That's correct.

9 Q. Is that still true?

10 A. There was a -- they were constructing two Acciona 116s
11 in Iowa; one on a concrete base and a turbine tower and
12 the other on metal, steel. And, those began
13 construction, I believe, in September. I do not know
14 if -- I do not believe they have been commissioned yet.
15 They may be. It would be in weeks, within weeks.

16 Q. What about do you remember Mr. Segura-Coto talking
17 about there were a couple of them in Spain as well?

18 A. Yes. I believe that those were existing predecessors
19 to the 116. And, they were repowering them with -- I
20 thought that they were repowering them --

21 Q. Okay.

22 A. -- with different blades.

23 Q. So, as far as you know, is there any community in the
24 world that has ten of these or more constructed and

[WITNESS: Linowes]

1 operating?

2 A. No. There are none.

3 Q. Okay. And, in the past, I've heard you, and maybe in
4 this case as well, speak about, you know, things where,
5 you know, turbines break down, they catch on fire, that
6 kind of stuff. Have you heard any information like
7 that about Acciona's products?

8 A. No, I have not.

9 MR. ROTH: Okay. I suppose that's
10 reassuring. Thank you, Ms. Linowes. That's all the
11 questions I have for you.

12 WITNESS LINOWES: Thanks.

13 CHAIRMAN IGNATIUS: Thank you, Mr. Roth.
14 Mr. Froling?

15 MR. FROLING: No questions.

16 CHAIRMAN IGNATIUS: Mr. Beblowski?

17 MR. BEBLOWSKI: No questions.

18 CHAIRMAN IGNATIUS: Mr. Simmons?

19 MR. SIMMONS: Yes, I have a few
20 questions.

21 BY MR. SIMMONS:

22 Q. All right. Are you aware that, in the 4th September
23 2012 report by V-Bar, which the Appellant used as it's
24 meteorological source, there is a section on Page 2,

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1 excuse me, titled "Long-term Wind Climate". In this
2 section, V-Bar states that they are selecting the
3 National Weather Service Stations of Concord and
4 Massachusetts -- I'm sorry, Concord and Manchester, New
5 Hampshire Airports with their long-term reference
6 points. They further state that such "stations must
7 have suitable correlations to the winds at the site in
8 question."

9 A. I'm aware that they did look at Concord and Manchester
10 Airports for long-term wind conditions.

11 Q. Then, also are you aware that Concord Airport is at
12 339 feet above sea level, while the Manchester Airport
13 is even further downriver, in about 100 feet lower in
14 elevation? Both are in the Merrimack River Valley,
15 while the Project site is on a exposed ridge with the
16 turbine heights above 2000. Does this suggest to you
17 that the winds at these low elevation value stations
18 might not have suitable correlations to the wind site
19 at this height?

20 A. Yes. It's certainly the fact that, when you're getting
21 lower down in elevations and certainly in valleys,
22 you're going to have different weather conditions,
23 different wind conditions than you would on a
24 ridgeline. So, yes.

[WITNESS: Linowes]

1 Q. Okay. Are you also aware that there are weather
2 stations that are at much higher elevations available,
3 such as the one in Jaffrey, which is almost a thousand
4 feet higher than Concord and Manchester, and are half
5 the distance from Tuttle Hill as the stations in
6 Concord and Manchester?

7 A. I'm not aware, but I know that there are weather
8 stations all over.

9 Q. Okay. Are you aware that AWE used the prevailing winds
10 data from Concord and Manchester?

11 A. I'm not aware of that.

12 Q. Are you aware that the prevailing winds data from the
13 higher elevations weather stations is different from
14 those of Concord and Manchester?

15 A. I'm not, but it would not surprise me.

16 Q. Are you aware, for example, that the weather station in
17 Worcester, Massachusetts, show the prevailing wind from
18 the southwest, parallel to the Tuttle Ridge, that Mount
19 Washington has the prevailing wind from the west, and
20 the prevailing winds on Blue Hill, in Massachusetts,
21 varies from south to southwest to west to northwest?

22 A. I was not aware of that. But I can tell you that the
23 experience of winds and wind energy on the ridgelines
24 in New England have been, you know, it's quite

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1 changing, so that one hill can be different from
2 another, one location certainly would be different from
3 another, because our terrain is so different and
4 varying.

5 Q. Okay. Are you aware that Concord and Manchester sits
6 in the valley and fits AWE's assumptions that the
7 prevailing winds will be from the northwest, while the
8 closest hilltop weather stations have quite different
9 prevailing winds?

10 A. I believe -- I'm sure that is possible.

11 Q. Are you also aware that the Tuttle Hill ridgelines runs
12 crosswise to the northwest wind, while parallel to the
13 southwest wind?

14 A. I was not aware of that.

15 Q. Would you then consider the discrepancies of AWE's
16 prevailing winds assumptions as a possible explanation
17 for their apparent overestimation -- overestimating of
18 their capacity factors?

19 A. Well, I don't know if that was a factor, but that would
20 be part of the assumptions that went into play at the
21 time when they collected the wind data, and then
22 determined the capacity factor based on -- based on hub
23 height. So, much depends on the information that they
24 used in determining the -- the wind data by itself is

[WITNESS: Linowes]

1 not enough to give them the information they need.
2 They have to process that to get their capacity factor.
3 So, if they used prevailing winds that were inaccurate,
4 that that would impact the result.

5 MR. SIMMONS: Okay. All right. I have
6 no further questions. Thank you.

7 CHAIRMAN IGNATIUS: Thank you.

8 Ms. Sullivan?

9 (No verbal response)

10 CHAIRMAN IGNATIUS: Ms. Duley, on behalf
11 of Ms. Longgood?

12 MS. DULEY: No questions.

13 CHAIRMAN IGNATIUS: Mr. Stearns?

14 MR. STEARNS: No questions.

15 CHAIRMAN IGNATIUS: Ms. Pinello?

16 MS. PINELLO: No questions.

17 CHAIRMAN IGNATIUS: Ms. Von Mertens?

18 MS. VON MERTENS: No questions.

19 CHAIRMAN IGNATIUS: Ms. Allen?

20 MS. ALLEN: No questions.

21 CHAIRMAN IGNATIUS: Ms. Block?

22 MS. BLOCK: I just have a couple of
23 questions.

24 BY MS. BLOCK:

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[WITNESS: Linowes]

1 Q. A few minutes ago you mentioned "Mars Hill", that in
2 their first year of operation had a 36 percent capacity
3 factor. That doesn't surprise me, I suppose -- well,
4 I'm not supposed to -- okay. Well, since that's a very
5 open, exposed ridge, I can imagine that's possible.
6 However, you went on to say that it's gone downhill
7 since then. And, can you speculate on why it was so
8 high in one year?

9 A. I can't, you know, it -- our winds do change year to
10 year, our wind speeds. And, in addition, what we have
11 found is that, as a project gets older, its performance
12 may actually deteriorate. And, that's related to many
13 things. And, it could be insect buildup on the turbine
14 blades, it could be aging of the machine itself. So,
15 it could be a combination. Now, I have to say that
16 Mars Hill continues to be one of the better performing
17 projects in New England, but it's coming in at around
18 32, 33 percent capacity factors. That's not to say we
19 won't have a great wind year next year and it will do
20 well, and it could be a mediocre wind year and it will
21 do poorly. And, that's to say all of the projects have
22 that issue. So, they'll all be varying.

23 Q. Okay. When Mr. Magnusson was here, and you just
24 referenced it, and it's in your testimony, but he made

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1 many references to the Searsburg, Vermont Project. Do
2 you see that Searsburg Project has having relevance to
3 this Project?

4 A. No. Searsburg went on line in 1997. It was an
5 experimental project between the Department of Energy
6 and Green Mountain Power. The intent was to see what
7 would -- would wind energy make it in New England, and
8 what were the factors surrounding it. It was a
9 11-turbine, if I remember correctly, 11-turbine
10 500-kilowatt per turbine project. So, in total, it was
11 -- is that right? I may be off on that. But it was a
12 very small project. It's towers stand, including the
13 blade, 198 feet tall. So, they're under even 200 feet,
14 and not even regulated by the FAA. The siting of the
15 project is very different. That's not to say that it
16 didn't have impacts in the area, but the impacts were
17 -- certainly, the visual impact is nowhere near what
18 we're looking at here.

19 So, comparisons -- Searsburg is -- and
20 it never operated better than a 20 percent capacity
21 factor. I mean, it had one good year a couple of years
22 ago, I think it actually made it to 22 percent capacity
23 factor. In general, it's been 20 percent or under.
24 So, it was never intended to be a commercial wind

[WITNESS: Linowes]

1 energy facility.

2 So, comparisons across the board,
3 whether it's environmental impacts, visual impacts,
4 impacts in terms of costs, none of those things really
5 apply as they would on a larger commercial scale
6 project.

7 Q. Lisa, on Page 8 of your testimony, you talk about
8 that --

9 MR. PATCH: Can we just be clear on
10 which? She has three different sets of testimony.

11 MS. BLOCK: Oh, I'm sorry. Yes, it's
12 her -- I think it's her first one. Her first prefiled,
13 July 31st, 2012.

14 BY MS. BLOCK:

15 Q. You talk about "Gittell and Magnusson seem to
16 begrudgingly admit that Heinzelman found impacts".
17 And, I just wanted to ask you to clarify that part,
18 about what impacts?

19 A. Yes. I want to find that section in the document, if
20 you would bear with me for a second.

21 Q. It's Page 8.

22 A. Okay. What they found, they quote Heinzelman --
23 Heinzelman, if I'm pronouncing that correctly, says,
24 this is -- I'm reading from Page 12 of the Lempster

[WITNESS: Linowes]

1 property value study. He states, in the first
2 paragraph on that page, under the chart, in the last
3 sentence, "This analysis showed that for homes within
4 half a mile of the turbine the sales prices decreased
5 in the range of 11 to 18 percent." And, then, "For
6 properties within one mile of the turbine the decline
7 in value was 8 to 15 percent." But then it goes onto
8 say, "Although, Heinzelman and Tuttle did identify some
9 isolated negative impact in counties in New York, their
10 results were also mixed", and looked at then another
11 project. So that the point, and I believe it was
12 somewhere else as well, and I apologize I'm not finding
13 it right now, but the point is, it was the only -- it
14 was the only study that identified that there were
15 property value impacts. They looked -- they had to
16 cite the results of that study, and that study did call
17 out property value impacts within half a mile to one
18 mile. And, then, he -- so, he at least accepts that
19 that's the case. But it doesn't appear that there's
20 any -- he wants to give it much wait. And, maybe -- he
21 says, oh, I'm looking on the second -- the next page,
22 Page 13, in the middle of the page, third paragraph.
23 It starts, and this is what I was talking about earlier
24 when Attorney Roth was asking me questions as to

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1 whether or not people are concerned about the projects,
2 he goes "Therefore it is possible that the decline in
3 property values observed by Heinzelman and Tuttle in
4 Franklin and Clinton County, is a temporary phenomena
5 related to home owner anticipation of property value
6 impacts similar to that observed at Twin Groves." And,
7 then, it says "it's plausible the observed decrease in
8 values were due to the homeowners' uncertainty with
9 potential impacts and would be expected to be
10 temporary."

11 The reality is, Mr. Magnusson has no
12 basis to make that statement. He is drawing a
13 conclusion here, because he observed -- because he's
14 reporting the findings of another report. And, now,
15 he's trying to apply an explanation that maybe it's
16 possible, maybe it's not, or maybe those projects
17 actual -- those property values really did decrease in
18 value because of the noise and the visual impact. He's
19 not willing to give that any weight. It's more an
20 effort to explain away the impacts. And, that was my
21 point.

22 Q. I also remember you saying that IWAG keeps track of
23 just information and trends. And, you've mentioned New
24 York several times. And, I know Mr. James talked about

[WITNESS: Linowes]

1 a recent court case in Herkimer County, New York. And,
2 I'm just wondering how is this different than what
3 you've previously seen?

4 A. This Project?

5 Q. No, that court case. Do you know anything about that
6 court case?

7 A. I do.

8 CHAIRMAN IGNATIUS: And, can you just --
9 I'm not following the question.

10 MS. BLOCK: Okay.

11 CHAIRMAN IGNATIUS: What is it you're
12 asking her to clarify or distinguish?

13 MS. BLOCK: I think Mr. James referenced
14 that there was a recent court case that had just been
15 filed in Herkimer County, New York, actually filed in
16 Albany, I think he said. And, he said it was a "very
17 different kind of case" than he's seen in -- before this.
18 And, I'm wondering if Lisa could just explain what was
19 meant in that or if she has knowledge of this and can
20 explain anything about that.

21 MR. PATCH: I'm going to object to that
22 question. I still don't understand exactly what kind of
23 court case. Doesn't seem like it's relevant at all to the
24 testimony that she's provided.

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[WITNESS: Linowes]

1 CHAIRMAN IGNATIUS: Why don't we begin
2 with what the case is, and maybe ask Ms. Linowes if she
3 knows, and just very briefly what the key issues are in
4 the case, and then maybe we'll be able to sort out what's
5 the same or different.

6 MS. BLOCK: Okay. Thank you. Thank you
7 for stating it so well.

8 WITNESS LINOWES: Do you want me to
9 answer that?

10 MS. BLOCK: Yes, please.

11 **BY THE WITNESS:**

12 A. That court case that was filed involves a 74-megawatt
13 Iberdrola wind project known as "Hardscrabble Wind
14 Farm", located in Herkimer County. The project went on
15 line I believe a year ago March. And, noise has been a
16 prevailing problem at the project site. And, the
17 reason Mr. James had stated it was different from
18 others, and I believe he said it here on
19 cross-examination, was because, in that case, the
20 Applicant was sued, but, in addition to the Applicant
21 being sued over the noise violations, the noise expert
22 that was involved in actually doing the
23 pre-construction and also post-construction monitoring
24 was also sued. And, that the attorneys involved

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1 believe that he has accountability for failing to make
2 clear that there were going to be problems with noise,
3 even though, in public hearings and in communications
4 with the residents, he was clear that there was an
5 issue with noise, including giving them a white noise
6 machine to put in their bedrooms so they could sleep
7 with the white noise machine on to drown out the sound
8 of the turbines.

9 BY MS. BLOCK:

10 Q. So, you're saying --

11 MR. PATCH: I would just like to note
12 for the record that, I mean, this is extreme hearsay
13 testimony. Obviously, you're not suggest to the rules of
14 hearsay. But I don't know where she got that information,
15 I don't know what it came from, I don't know what her
16 source is. You know, she's testifying about something
17 that there's just no foundation for how she knows about
18 it, what she knows about it. You know, it just seems like
19 very attenuated.

20 WITNESS LINOWES: Madam Chair, I can
21 provide the actual court case, the filing that was made in
22 Supreme Court, in Albany, if that would help? That
23 information is from there.

24 CHAIRMAN IGNATIUS: I appreciate that.

[WITNESS: Linowes]

1 I'm not sure -- I assume, Ms. Block, you're questioning
2 isn't about to get into the facts of that case?

3 MS. BLOCK: No. My question was just
4 "how is that different?" Mr. James seemed to imply that
5 this is something new and very different. And, all my
6 question was, was "how is that really different than what
7 she's seen before?"

8 MR. PATCH: She's not being offered as a
9 noise witness. So, it just seems like this should have
10 been done with Mr. James.

11 CHAIRMAN IGNATIUS: It's a fair point
12 about following up with Mr. James. I think that, if the
13 point is that, Ms. Linowes, your understanding is there is
14 an action against the noise consultant, --

15 WITNESS LINOWES: Yes.

16 CHAIRMAN IGNATIUS: -- as well as the
17 Applicant?

18 WITNESS LINOWES: That's correct. That
19 is the difference.

20 CHAIRMAN IGNATIUS: All right. Whether
21 that is or isn't what Mr. James meant by it being
22 different, I don't think we can say. But can we move on?

23 WITNESS LINOWES: He did state that on
24 cross-examination.

[WITNESS: Linowes]

1 CHAIRMAN IGNATIUS: All right.

2 WITNESS LINOWES: He did make that
3 point. We could find the transcripts on that.

4 CHAIRMAN IGNATIUS: Why don't we move
5 on.

6 MS. BLOCK: Thank you. That's my last
7 question.

8 CHAIRMAN IGNATIUS: All right. Dr.
9 Kimball?

10 (No verbal response)

11 CHAIRMAN IGNATIUS: The Applicant.
12 Ms. Geiger, are you doing the questioning? Mr. Patch.

13 BY MR. PATCH:

14 Q. Okay. I wanted to start, Ms. Linowes, you gave as an
15 address, I believe it's in Lyman, New Hampshire, is
16 that correct?

17 A. That's correct. That's right.

18 Q. And, that's about how far? Fifty, sixty miles from
19 Antrim, is that correct?

20 A. I'm actually not sure.

21 Q. In your testimony, you say you work in a full-time
22 capacity for IWAG, is that correct?

23 A. That's correct.

24 Q. And, is IWAG, as an organization, opposed to wind

[WITNESS: Linowes]

1 power?

2 A. You ask me that all the time. Okay. I'll answer it
3 the way I think it really is reflective of what I do.
4 I am a realist about wind energy. I don't have
5 rose-colored glasses on, I'm not convincing myself that
6 it's going to reduce our reliance on fossil fuel, nor
7 am I living under the impression that we're going to be
8 able to run our economy on wind energy. So, in that
9 regard, I look at -- I'm trying to understand the
10 realities around wind and its high cost.

11 Am I opposed to wind energy? If you
12 were to show me a project where the benefits outweighed
13 the costs, I would have no objection to that project.
14 And, I'm not sure if such a project actually can be
15 built in New England. I would like to see that.

16 Q. I mean, in terms of your participation in projects
17 before this Committee, you, obviously, opposed the
18 Lempster Project and the GRP Project, and you're
19 opposing this Project, is that fair to say?

20 A. My reasons, obviously, I'm not being directly impacted
21 by the projects that are being proposed, in that they
22 are not anywhere where I live. I am being affected by
23 them because of the cost, particularly if this Project
24 is sold to a utility in New England, I will be directly

[WITNESS: Linowes]

1 impacted by the Project.

2 Q. Well, doesn't that depend on which utility it's sold
3 to?

4 A. Yes, it will. If it's sold to a utility within New --
5 did I say "New England"? I'm sorry, I meant "New
6 Hampshire". I meant "New Hampshire".

7 Q. And, it might even be a positive effect?

8 A. Not likely.

9 Q. Well, it's possible, isn't it?

10 A. No. Not if you understand how the day-ahead market
11 works and how the power purchase agreements are
12 organized, it's not going to have a positive effect.

13 Q. Well, we can get into that in a while, but --

14 A. Okay. So, in terms of opposing the Project, each
15 project has issues associated with it, and each one is
16 different. And, so, I look at that, and I look at --
17 and I am also contacted by people that live near the
18 facility, and I try to gauge whether or not I will get
19 involved. For instance, I did not get involved in the
20 Groton Wind Project, not because I didn't think it had
21 issues, but I just was -- I was not prepared to go
22 through that process.

23 But, in any event, there are different
24 reasons why I engage. In this case, I'm engaging

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1 because I think it's very costly for a small project.

2 Q. So, in this case, was there somebody or some group of
3 people that contacted you to get involved in this
4 particular project?

5 A. There was several people that live within Antrim that
6 had contacted me. And, it started out asking
7 questions, because they were new to the concepts and
8 the issues, and that dates back a number of years.
9 And, then, I just watched it, and had -- wasn't sure if
10 I would get involved. And, then, they had asked if I
11 would get involved, and so I agreed to.

12 Q. Is it still true that many members of your group are
13 pro-wind energy?

14 A. I don't -- Wind Action is not a membership
15 organization, it is a -- we really have subscribers to
16 it. So, there are many people that subscribe to Wind
17 Action, receive our newsletters and our writings. And,
18 they are on both sides of the aisle. That's absolutely
19 true.

20 Q. Add, how do you know that?

21 A. Because they contact me or I'll see their e-mails. I
22 only -- I actually do not -- we do not require them to
23 give any information other than their e-mail address.
24 But you can tell when someone from GEWind.com

[WITNESS: Linowes]

1 subscribes, that they are probably involved with wind
2 energy. So, I don't -- I don't honestly know. And,
3 the other thing I do know is that I do get contacted by
4 people, particularly in New England, and, actually, all
5 over the country. These would be legislators,
6 regulators, that are looking for information about wind
7 energy.

8 Q. So, if you're here representing that group, and there
9 are people participating in the group are pro-wind
10 energy, how did you come about forming the opinion on
11 behalf of the group that you say you represent that you
12 should oppose this Project?

13 A. Well, everyone knows where Wind -- anyone who goes to
14 the Wind Action website and reads the editorials, knows
15 exactly where Wind Action stands on the issues. We
16 write, and I write, in particular, a lot about
17 renewable energy policy, we write about the impacts of
18 noise, we write about the property values. We write
19 about many of the things that we've heard about here.
20 And, we don't hide -- what we're trying to do, as part
21 of Wind Action, is balance the debate. And, that's
22 what Wind Action has done since 2006, when we were
23 formed. We are just looking for a way to give people a
24 place to understand that it's not a black and white

[WITNESS: Linowes]

1 situation. This is -- we are -- the world is not made
2 up of people who support wind and people who hate wind,
3 they are somewhat down the middle where we just want to
4 get to the facts, and that's what wind energy -- that's
5 what Wind Action does. We are trying to elucidate the
6 issues around wind, without sounding like we're
7 anti-wind. But somehow, it is an industry that's very
8 sensitive to criticism. And, when you talk about the
9 issues, you tend to get tagged as "anti-wind". But
10 it's -- and, I mean, I will tell you that, in April, I
11 was invited by Congress to testify. And, I was asked
12 to specifically testify on the issues related to
13 federal subsidies, Section 1603 and the Production Tax
14 Credit. Because, from Congress's perspective, they
15 understood those policies from a tax perspective. They
16 didn't understand the impacts of wind energy in the
17 rest of the country and what it was doing to the
18 markets. So, that is the kind of information I bring
19 forward. It is not intended to be anti-wind or
20 pro-wind, it's intended to just have a perspective
21 that, as a rule, you're not going to get from a
22 proponent of a wind project.

23 Q. But you haven't actually supported any wind power
24 projects from what I can tell, though, isn't that true?

[WITNESS: Linowes]

1 A. Well, the projects that I engage on, personally engage
2 on, tend to be somewhere where I could geographically
3 get to. And, so, that would be in New England. There
4 have been -- this is the third project in New
5 Hampshire. And, I also was an intervenor in the
6 Deerfield Wind Project, in Vermont. And, in those
7 cases, there were pretty significant issues associated
8 with them. I will say that Lempster, that was my
9 first, I didn't -- you probably remember how we were
10 really new to it. But there were pretty significant
11 environmental issues on Granite Reliable, and there are
12 pretty significant environmental issues on the
13 Deerfield Project. So, that was where -- I was
14 attracted to those.

15 Q. On Page 1 of your July testimony, you say that "IWAG is
16 a New Hampshire corporation formed in 2006", is that
17 correct?

18 A. That's correct.

19 Q. And, in the papers you filed with the Secretary of
20 State, you say "the corporation is organized
21 exclusively for charitable, educational, and scientific
22 purposes." What are the charitable purposes?

23 A. We're not a nonprofit, I will tell you that.

24 Q. So, you're not a 501(c)(3)?

[WITNESS: Linowes]

1 A. We are not, no.

2 Q. But what are the charitable purposes, as described in
3 what you filed with the Secretary of State?

4 A. If I --

5 MR. ROTH: Excuse me, madam Chairman.
6 This questioning, I don't know what -- I can't tell
7 whether he's trying to show a bias or he's trying to lay
8 the record for objecting to intervention in a future case.
9 But it seems to me, you know, there's been more than
10 enough time in this line of questioning to get to the
11 point. And, now, we're talking about, you know, filings
12 made with the Secretary of State's Office.

13 And, Ms. Linowes and her organization
14 have already been granted intervention in this, and she
15 has standing to be here. And, I think it's time to
16 actually get to some of the substance of her testimony.
17 And, we've been talking now for 10 or 15 minutes about the
18 organization's, you know, founding principles and tax
19 status. It's time to move on.

20 CHAIRMAN IGNATIUS: Mr. Patch, where
21 does the -- where are you leading with the "charitable"
22 question?

23 MR. PATCH: I'm just trying to find out
24 a little bit more about the organization itself. You

[WITNESS: Linowes]

1 know, she won't typically answer questions about it. I
2 think it's important for the Committee to know what her
3 motivations are.

4 CHAIRMAN IGNATIUS: All right. I'll let
5 you go a little further, and then it may be time to move
6 on.

7 WITNESS LINOWES: I don't know why you
8 would say I "don't answer questions about Wind Action",
9 but --

10 BY MR. PATCH:

11 Q. Well, I can show you the data request responses that
12 you provided in this docket, if you'd like me to, but
13 we asked you a number of questions about your
14 membership, and you refused to answer those of your
15 sources of funding. Would you like me to do that?

16 A. I didn't answer the sources of funding?

17 Q. I don't believe you did. I can show you the data
18 requests, if you would like to see them?

19 A. I would, perhaps --

20 MR. ROTH: Madam Chairman, this is what
21 I'm -- I guess my point. Now, they're quarreling about
22 data requests about sources of funding. And, I'd rather
23 hear more about what her testimony is.

24 MR. PATCH: I think, if she can just

[WITNESS: Linowes]

1 answer the question about charitable purposes, I can move
2 on. But I'd just like to know what the charitable
3 purposes are of the organization.

4 **BY THE WITNESS:**

5 A. I have to tell you that, at the time when I filled out
6 the forms for the New Hampshire Secretary of State,
7 there must have been an item to select from. Writing
8 down "Wind Action is a charitable organization" is not
9 the first word that comes to mind. So, I would not
10 have -- if I were actually re-writing the description
11 of the organization, I would not have written
12 "charitable organization". So, I'm not sure of the
13 origin of that word. But I will say it is "educational
14 and scientific".

15 Q. From the way you responded to this question before, it
16 sounded like you were willing to share information
17 about the sources of funding of IWAG. Is that correct?

18 A. Yes. Absolutely. I've never --

19 Q. Okay. Well, before we do that, I guess I'd just like
20 to show you -- I'm going to show you what is marked
21 as --

22 MR. ROTH: Madam Chairman, can I ask
23 that Mr. Patch not hover over the witness while he asks
24 her questions?

[WITNESS: Linowes]

1 CHAIRMAN IGNATIUS: All right. And, I
2 think he's just trying to get to a microphone.

3 MR. PATCH: Right. Yes.

4 CHAIRMAN IGNATIUS: But that's fine. If
5 you want to --

6 MR. PATCH: I'll try to move away, but
7 it's kind of hard to do it like this.

8 CHAIRMAN IGNATIUS: And, can I say, I
9 don't think there's anyone in this room who could
10 intimidate Ms. Linowes, but --

11 (Laughter.)

12 BY MR. PATCH:

13 Q. This was a request asked of you --

14 A. Yes.

15 Q. -- on August 8th of 2012 in this docket, correct?

16 A. Yes.

17 Q. IWAG or IWA 1-4. And, the question was: "Identify all
18 sources of funding of IWAG, the dollar amounts
19 contributed, and by whom each dollar amount was
20 contributed over the last three years." And, your
21 response was what?

22 A. "The request seeks information that is irrelevant and
23 not reasonably calculated to lead to the discovery of
24 admissible evidence.

[WITNESS: Linowes]

1 Q. But, apparently, you're now willing to share that
2 information?

3 A. I've never been unwilling to share that information.
4 At the time when I wrote that, I think I wasn't sure
5 why that was relevant. If you believe it's relevant,
6 and if the Committee believes it's relevant, I have
7 nothing to hide. The Wind Action, as an organization,
8 has next to no funding. We receive, on occasion, a
9 check of \$50, maybe \$500. And, that the -- in total, I
10 could tell you that, over the -- since we were formed
11 in 2006, the organization has received less than \$5,000
12 in contributions. And, those have all been tied to
13 individuals or organizations -- or groups,
14 environmental groups, that were -- contacted me asking
15 for information about wind energy, and over a prolonged
16 period of providing information about the projects or
17 about the industry, felt compelled to send a check. We
18 never ask for money, we never ask -- we do have a
19 "donate" button on the website. We never actively seek
20 money from people. Our organization is run by sweat
21 equity and a commitment to trying to balance the
22 debate. That's what we do.

23 Q. You have leveled some criticisms at Mr. Magnusson and,
24 obviously, at Mr. Gittell, before he was required to

[WITNESS: Linowes]

1 withdraw, with regard to the study on economic effects
2 on property values, including specifically a criticism
3 of the JEDI model. Do you have a degree in Economics,
4 either, you know, a Bachelor's, a Master's, a Ph.D?

5 A. I have a Master's in Business Administration.

6 Q. And, how many economic impact reports have you written?

7 A. I haven't. Specifically, this kind of modeling, with
8 the JEDI?

9 Q. Yes.

10 A. I have not.

11 Q. Other kinds of modeling?

12 A. No.

13 Q. Have you ever conducted an independent analysis of
14 property values?

15 A. No. And, nor has Mr. Magnusson.

16 Q. Excuse me?

17 A. Mr. Magnusson has not conducted a property value study,
18 other than his statistical study in Lempster.

19 Q. Okay.

20 A. And not an appraiser's study.

21 Q. You've also criticized Dr. Colin High's avoided
22 emissions analysis?

23 A. Yes.

24 Q. And, I wonder about what degrees you might have that

[WITNESS: Linowes]

1 are relevant to that? You know, obviously, he has a
2 degree in Earth Sciences, he has a degree in a number
3 of related topics. He's taught on those subjects, you
4 know, at a number of distinguished institutions.

5 What's your background in that area?

6 A. Well, let's look at the criticisms that I made.

7 Q. No, no, no. That's not the question. The question is
8 "what is your background?"

9 A. I'm not criticizing his modeling. I'm criticizing the
10 statements --

11 Q. I asked you a question --

12 A. -- and the conclusions he drew.

13 Q. I asked you a question about your own personnel
14 background.

15 A. Okay. I have an engineering degree. So, I'm a
16 critical thinker.

17 Q. Okay. That's your background in that area?

18 A. Uh-huh.

19 Q. I mean, you've also criticized his testimony and his
20 criticism of your testimony with regard to RGGI.

21 A. Yes.

22 Q. And, the fact that RGGI will require further reductions
23 in GHG emissions through the end of 2018, is that
24 correct?

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[WITNESS: Linowes]

1 A. That's correct.

2 Q. Isn't it also true that, in the period from 2015 to
3 2018, the cap, the RGGI cap will decrease by
4 2.5 percent per year, for a total reduction of
5 10 percent in the period ending in December of 2018?

6 A. Yes. And, I said that in my rebuttal testimony. The
7 cap at that point, by the end of 2018, will be
8 149 million short tons. And, in 2011 -- or, rather, in
9 the most recent auction, September 2012, we were at
10 126 million short tons. So, we are already well below
11 the cap that is expected to be reached by 2018.

12 Q. Isn't it also true that the presence of additional wind
13 energy in the generation mix will be very important in
14 achieving these goals?

15 A. The goals have already been achieved. That's the point
16 I was making. And, despite that fact, and also given
17 the economic situation in and the condition around more
18 and more natural gas being used here in New England, we
19 will already be under the cap by the time we get to
20 2018. Dr. High argued that my assertion was wrong, and
21 that's what I was rebutting. My assertion is not
22 wrong. And, so, that's -- that is the point. We're
23 already at the goal, well below the goal.

24 Q. But I don't see how you can say so definitively what's

[WITNESS: Linowes]

1 going to happen between now and 2018? Many learned
2 people have tried to predict the future in the energy
3 industry. And, here we are, six years away from that,
4 and yet you very definitely say "that's not going to be
5 an issue." I don't understand how you can do that?

6 A. Well, because we're in a very different world right now
7 from what we were even less than five years ago. With
8 advances in extraction, gas extraction, we have changed
9 -- we have turned the United States' electricity market
10 upside-down. We are -- the EIA now is saying pretty
11 much, for probably the first time ever, that our
12 domestic production of natural gas is going to exceed
13 consumption for years out. We're saying that our U.S.
14 reliance on imported oil is reduced. And, it's the
15 first time, really, if ever, certainly it's going to be
16 the case for the next -- rest of this decade, that our
17 electricity prices are not going to be tied to the
18 price of oil. And, that's pretty significant. And,
19 so, we're going to see more and more natural gas within
20 New England.

21 That, on top of that point, and I can
22 show you the document, the most recent forecast out of
23 the ISO-New England, shows modest to next to flat
24 growth in electricity demand through to 2022. So, we

[WITNESS: Linowes]

1 have low demand, we have sufficient capacity to meet
2 our needs today through to 2022, and we are going to
3 see increasing natural gas, which is going to keep our
4 carbon emissions very low.

5 Q. Are you aware of the fact that, in April of this year,
6 wholesale natural gas prices fell below \$2.00 an MMBtu?

7 A. I'm aware that they have been very low.

8 Q. And, are you aware of the fact that, on November 26 of
9 this year, natural gas, for April 2013 delivery, was
10 trading at \$3.84 an MMBtu, which is approximately an 80
11 to 90 percent increase over the April prices?

12 A. Yes. But you have to look at the -- the product price
13 of natural gas will change, depending on the time of
14 year. So, in the springtime, our coming off winter,
15 like, our heating needs are very low. Things change
16 when we get into November, when people do also heat
17 their homes with natural gas. So, it does -- the price
18 of natural gas will vary. But, if you look at the
19 24-hour average price, I would say that natural gas
20 prices, at least the wholesale of electricity, based on
21 natural gas being the dominant, will be around four
22 cents a kilowatt-hour. And, it's going to stay around
23 that for some time to come.

24 Q. How can you say "it's going to stay around that for

[WITNESS: Linowes]

1 some time to come"? I just don't understand how you
2 think you can predict the price of natural gas over the
3 next six years? That just --

4 A. I'm not the one predicting it. The Energy Information
5 Administration is predicting it, as is the market. So,
6 we are looking at, barring a significant problem with
7 delivery or, you know, we open -- we start exporting
8 all of our natural gas and the price swings way up,
9 which could happen, but that's not going to happen
10 until 2018, 2019, or further out, as we start to permit
11 export stations for natural gas. But, for now, at
12 least in our future, through to 2018, these natural gas
13 prices are going to stay low.

14 Q. Well, I'm going to shift gears just for a minute. Are
15 you familiar with the Renewal Portfolio Standard
16 requirements?

17 A. Yes, I am.

18 Q. And, are these state or federal requirements?

19 A. They are state.

20 Q. And, do you know how states have them in New England?

21 A. Five. Five have mandatory RPSs. Vermont does not have
22 a mandatory RPS.

23 Q. And, so, obviously, New Hampshire is one of them.

24 A. Yes.

[WITNESS: Linowes]

1 Q. We've referred to the RPS law here before.

2 A. Correct.

3 Q. Isn't it true that the purpose of this section of the
4 New Hampshire -- New Hampshire's RPS law refers to
5 "renewable energy generation technologies providing
6 fuel diversity", "displacing" and "lowering regional
7 dependence on fossil fuels", having "the potential to
8 lower and stabilize future energy costs", "keeping
9 energy and investment dollars in the state", "reducing
10 greenhouse gases, nitrogen oxides, and particulate
11 matter emissions...thereby improving air quality and
12 public health." Are you familiar with those particular
13 provisions in the New Hampshire RPS law?

14 A. I'm familiar with those as being justifications or
15 arguments for why the RPS -- purpose of the RPS.

16 Q. So, that's what the Legislature thought when it passed
17 the law. That's what it considered to be the -- at
18 least a number of very good reasons as to why the RPS
19 law was enacted, correct?

20 A. Yes.

21 Q. Isn't it true that the RPS law is a public policy
22 decision by state legislatures, in this case, in New
23 Hampshire, to encourage the development of renewable
24 energy sources of power, --

[WITNESS: Linowes]

1 MR. ROTH: Objection to this question.

2 BY MR. PATCH:

3 Q. -- including wind power?

4 CHAIRMAN IGNATIUS: I'm sorry, objection
5 on the basis of what?

6 MR. ROTH: Well, on relevance. You
7 know, the reference to this, to the RPS and other similar
8 laws, was, I believe, expressly removed by the Legislature
9 from the statute governing this proceeding. So, I don't
10 see the relevance of this point any longer.

11 MR. PATCH: Well, the relevance is that
12 she has provided testimony with regard to the market for
13 wind power and the market for power from wind power
14 projects. And, I think the point being, and this is where
15 I'm headed with a couple of questions, that these RPS laws
16 actually have helped to create that market. It isn't just
17 about a Production Tax Credit.

18 CHAIRMAN IGNATIUS: And, what was your
19 question, I'm sorry?

20 MR. PATCH: Well, I asked if she was
21 familiar, first of all, with those particular provisions
22 in the New Hampshire law. And, then asked, if it wasn't
23 true that the public policy decision by the Legislature to
24 encourage the development of renewable energy sources of

[WITNESS: Linowes]

1 power, including wind.

2 MR. ROTH: Right. So that, my point is,
3 the public policy reasons for it are not even relevant to
4 the information he's trying to get to the witness, based
5 on the proffer he just made, and certainly not relevant to
6 this proceeding, given the decision by the Legislature to
7 remove those from your consideration.

8 CHAIRMAN IGNATIUS: All right. Well, I
9 think we're talking about two different things. One is
10 the language of the RPS statute and the other is the
11 language of the Site Evaluation Committee statute,
12 correct? That's the reference you're making to what's
13 been removed?

14 MR. ROTH: That's correct.

15 CHAIRMAN IGNATIUS: And, you're talking
16 about language of the RPS, Mr. Patch?

17 MR. PATCH: I am.

18 CHAIRMAN IGNATIUS: All right. So, at
19 least we're talking about two different statutes. I'm
20 still not sure why what you're seeking Ms. Linowes to talk
21 about what she thinks the Legislature meant? I mean,
22 again, the more direct you can be --

23 MR. PATCH: I can move on with the next
24 question. I can move on with the next question, and get

[WITNESS: Linowes]

1 to point.

2 CHAIRMAN IGNATIUS: All right.

3 MR. PATCH: Which is what I think Mr.
4 Roth is suggesting that I do.

5 BY MR. PATCH:

6 Q. Is it true that these RPS laws, and, in New Hampshire,
7 this RPS law has created -- has helped to create the
8 market for wind power from wind power projects?

9 A. Yes. But, for the RPS, these projects would not be
10 built.

11 Q. And, to your knowledge, are these RPS obligations in
12 any way conditioned on the existence of the Production
13 Tax Credit?

14 A. That's a really good question. Because when we -- when
15 the economic studies that were done in New Hampshire,
16 and a lot of them that were done in the 29 plus states
17 that have mandatory RPS policies, they have come
18 forward, and some of them made an expectation that the
19 Production Tax Credit would be in place. And, I don't
20 know where New Hampshire stood on that. But, let me
21 tell you, at the time, in the State of New Hampshire,
22 there was an expectation that the RPS would not
23 increase retail market prices -- or, wholesale market
24 prices for energy more than the 1 to 1.3 percent. That

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1 is not what's happening across the country. States
2 with RPS policies are coming in at 22 to 25 percent
3 higher in electricity prices, wholesale, than what
4 we're having in states that do not have RPSs. So, some
5 of the premises that were used to decide on whether or
6 not an RPS should be adopted have not been -- have not
7 been borne out.

8 Okay. So, to your question, should the
9 RPS -- was the RPS considered as part of that? I
10 honestly don't know. A number of states had actually
11 had the expectation that PTC would be in place
12 indefinitely, and I don't know what New Hampshire's
13 position was.

14 Q. Well, actually, my question was, is the RPS obligation
15 conditioned on the existence of the Production Tax
16 Credit? Aren't they two totally independent things?

17 A. Yes. They are totally independent of each other.

18 Q. Are you aware that RPS requires load-serving entities
19 to acquire Renewable Energy Credits, "RECs" as we've
20 referred to them?

21 A. Yes. I am.

22 Q. And, you're aware of the term "alternative compliance
23 payment"?

24 A. I am.

[WITNESS: Linowes]

1 Q. Are you aware that load-serving entities covered by
2 state RPS requirements have to make alternative
3 compliance payments for each REC that they do not
4 secure?

5 A. If they're out of compliance, they are required to make
6 a payment equal to the alternative compliance payment.

7 Q. And, are you aware that the alternative compliance
8 payments for Massachusetts, New Hampshire, Rhode Island
9 and Connecticut currently range from approximately \$55
10 to \$65 a megawatt-hour?

11 A. I am aware of that. And, I believe that that is a
12 short-term condition.

13 Q. Okay. But that's what the range is currently. And,
14 obviously, now you're predicting the future again, and
15 you think somehow that's going to change?

16 A. No. Mr. Patch, it's not that I'm predicting the future
17 and making information up. The fact is, we've looked
18 at the numbers. In 2011, as I started to say in
19 rebuttal, 80 percent of our RPS RECs, these are our
20 Class I RECs, came from existing projects, okay? So,
21 very few came from greenfield projects. And, we're
22 going to see, and as long as RPS -- as long as we're at
23 the alternative compliance payment, or as long as RECs
24 are trading close to the alternative compliance

[WITNESS: Linowes]

1 payment, what we're seeing is a drive to do three
2 things. We're going to see existing behind-the-meter
3 projects, participating as part of the RPS. We're
4 going to see existing projects that have not been
5 previously blessed as being part of the RPS or under
6 the RPS becoming eligible under the RPS. And, we're
7 going to see more imports of generation. And, that's
8 going to drive down the need to build new greenfield
9 projects.

10 And, if I may say one point, in the
11 State of New York, there is over -- just over 1,300
12 megawatts of wind in New York. By 2015, we're going to
13 see, of those projects, they're going to come out from
14 under contract, RPS contracts with NYSERDA. And, that
15 wind power is going to find its way to New England.
16 And, we're going to see, again, competition for those
17 RECs coming from imports, in a substantial way from
18 2015 out.

19 So, we're -- today, I agree, REC prices
20 today are high. REC prices, less than two years ago,
21 were around \$10 a megawatt-hour. So, it's going to
22 change, and it's going to change again in a year and
23 two years. Building greenfield projects are not going
24 to necessarily be the way to meet our RPS obligations.

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[WITNESS: Linowes]

1 Q. But the same logic you're using applies to energy
2 prices, doesn't it?

3 A. Okay. Energy prices are not so binary the way the RPS
4 prices -- projects are. But, I could tell you, with
5 regard to energy, it's a very different world. We
6 don't have this concept of "compliance". We have a
7 thing called "demand" and we have a thing called -- we
8 have supply and we have demand. We have a tremendous
9 amount -- we have a lot of capacity in place to meet
10 our energy needs. And, yet, we have found, since 2009
11 -- 2008, with the Lehman Brothers collapse and the
12 whole world changed on us, the market -- the demand for
13 electricity dropped precipitously. On top of that, we
14 had a technological advancement which has changed
15 everything, that's called "fracked gas", and our
16 ability to drill for gas and bring in more and more
17 natural gas, which we didn't have before. That has
18 changed the way our market is going to continue to
19 operate, at least through this decade, and perhaps
20 further out.

21 Q. Are you familiar with the term "NYMEX futures market
22 for electricity"?

23 A. I'm familiar with it.

24 Q. And, would you agree the current NYMEX quote for peak

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1 and off-peak power for the months October 2014 through
2 September 2015 for NEPOOL reflects the current market
3 value for wholesale electricity for those months?

4 A. Do you have the numbers in front of you?

5 Q. I don't have the numbers. But, I guess I'm asking a
6 more general question. Well, actually, I guess I do.
7 Would it surprise you to know that, for NEPOOL, on
8 November 25th, you know, which is about a week ago, the
9 value of wholesale electricity energy only, not
10 including capacity and REC values, adjusted based on
11 forecasted hourly peak and off-peak wind production for
12 the period October '14 through September '15, settled
13 at approximately \$49 a megawatt-hour? Are you familiar
14 with that?

15 A. I'm not, but it wouldn't surprise me. That I'm -- I
16 would expect wholesale natural -- wholesale electricity
17 prices on a 24-hour average, at this time of year, to
18 be between 4 and 5 cents a kilowatt-hour, which is what
19 that would be, \$40 and \$50 a megawatt-hour. That is --
20 that is the energy side, okay?

21 Q. Okay. But that's -- I said "October 2014 through
22 September of 2015". So, that's really for an entire
23 year. It's not just a price, you know, sort of a --

24 A. Oh. Did you say "November 25th"?

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1 Q. Yes. November 25th of 2012.

2 CHAIRMAN IGNATIUS: Though, I think
3 there's some confusion whether that was a single day price
4 or projecting a year. Maybe you can be clear in your
5 question.

6 BY MR. PATCH:

7 Q. It was a price on November 25th for the period
8 October 2014 through September 2015.

9 A. Of \$49?

10 Q. A megawatt-hour.

11 A. A megawatt-hour. And, did you say that was also for
12 wind? I'm not sure why wind is a distinction. I
13 thought you said "wind".

14 Q. No.

15 A. But it wouldn't matter. I'm not -- that seems in line
16 with what I would expect.

17 Q. Yes. It was the value of wholesale electricity, energy
18 only.

19 A. Okay.

20 CHAIRMAN IGNATIUS: I'm sorry, I am
21 confused. Because you did read something about "wind", I
22 heard the word "wind" in the question, as if it was some
23 specific wind price.

24 MR. PATCH: In the question, I believe I

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1 did say "adjusted based on forecasted Antrim hourly peak
2 and off-peak wind production".

3 CHAIRMAN IGNATIUS: All right. Well, I
4 confess, I'm lost by the question. So, --

5 MR. PATCH: Okay. Well, I'll move on.
6 Why don't I move on.

7 BY MR. PATCH:

8 Q. I want to direct your attention, Ms. Linowes, to a 2008
9 U.S. DOE report that you cited in your testimony on
10 Page 3. And, I believe it's Page 3 of your July
11 testimony, I think is what it is.

12 A. I don't think it is that.

13 Q. Okay. Then, it may be Page 3 of your October 23
14 testimony. Whoops, I'm in the wrong place. Yes. It's
15 October 11th testimony, Page 3. You make --

16 CHAIRMAN IGNATIUS: And, that would be
17 the IWAG-2, there are three sets of testimony, correct,
18 but two of them in October?

19 MR. PATCH: That's right.

20 CHAIRMAN IGNATIUS: So, it's the second
21 one?

22 MR. PATCH: It's the first one,
23 actually. I think the second, the second
24 October testimony was October 23.

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1 CHAIRMAN IGNATIUS: Right. So, it's the
2 first October one, --

3 MR. PATCH: The second exhibit.

4 CHAIRMAN IGNATIUS: -- the second of
5 three testimonies?

6 MR. PATCH: Yes.

7 BY MR. PATCH:

8 Q. And, you refer there to the "U.S. Department of Energy
9 *20 Percent Wind Energy by 2030*" report.

10 A. Correct. Actually, I think it's called "Wind Power by
11 2030", not "Wind Energy". That's an error.

12 Q. And, we had premarked sections from this report as "AWE
13 28". And, in the section that we premarked, I just
14 want to read you a couple of things from this report.
15 And, I'm looking at what's Page 14, and I'm looking at
16 the second paragraph.

17 A. Are you -- I'm sorry, I don't have that exhibit in
18 front of me.

19 Q. Okay.

20 A. Would you have a copy?

21 Q. I'll try not to hover over you.

22 A. Okay.

23 CHAIRMAN IGNATIUS: And, can you tell us
24 again what exhibit it is?

[WITNESS: Linowes]

1 MR. PATCH: AWE 28.

2 CHAIRMAN IGNATIUS: Thank you.

3 MR. IACOPINO: When you say "Page 14",
4 it's actually the third page in the exhibit, correct?

5 MR. PATCH: I think that's correct. It
6 might be the second page.

7 BY MR. PATCH:

8 Q. And, there's a paragraph that begins "Concerns about
9 climate change have spurred many industries, policy
10 makers". Do you see where that is?

11 A. I do.

12 Q. "Have spurred many industries, policy makers,
13 environmentalists, and utilities to call for reductions
14 in GHG emissions." Did I read that correctly?

15 A. Yes, you did.

16 Q. And, then, I'm particularly interested in the next
17 sentence: "Although the cost of reducing emissions is
18 uncertain, the most affordable near-term strategy
19 likely involves wider deployment of currently available
20 energy efficiency and clean energy technologies." Did
21 I read that correctly?

22 A. You did.

23 Q. And, "wind power is one of the potential supply-side
24 solutions to the climate change problem." Did I read

[WITNESS: Linowes]

1 that correctly?

2 A. You did.

3 Q. And, then, on Page 16, the second paragraph begins "The
4 20 percent Wind Scenario constructed here would
5 displace a significant amount of fossil fuel
6 generation." Did I read that correctly?

7 A. You did.

8 Q. Then, the next paragraph: "Wind energy that displaces
9 fossil fuel generation can also help meet existing
10 regulations for emissions of conventional pollutants,
11 including sulfur dioxide, nitrogen oxides, and
12 mercury." Did I read that correctly?

13 A. You did.

14 Q. So, doesn't this report conclude that there are
15 substantial positive impacts from wind power?

16 MR. ROTH: Objection.

17 CHAIRMAN IGNATIUS: On what basis?

18 MR. ROTH: This is an incomplete copy of
19 the report. I don't think he's yet provided a foundation
20 for that particular statement.

21 CHAIRMAN IGNATIUS: Mr. Patch.

22 MR. PATCH: Well, Ms. Linowes cited the
23 report in her testimony. And, I was assuming, since she
24 cited it, that she had read it. So, I think it's a fair

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1 question for her.

2 CHAIRMAN IGNATIUS: I think it's fair to
3 ask her what she's aware of and if she knows the
4 conclusions of the report, and to interpret the sentence
5 you just read her.

6 **BY THE WITNESS:**

7 A. Yes. Okay. A couple of things to say about this.
8 First of all, this report was written in July, it was
9 released in July 2008, that's the date on it, but it
10 was actually released earlier than that. So, this
11 study was under development for at least a year prior
12 to that. Okay? So, as I testified already, much has
13 changed since 2008.

14 With that being said, I want to make
15 very clear what a that 2000 -- what a 20 percent Wind
16 Scenario looks like, okay? And, the Department of
17 Energy has not really done a lot to demonstrate what
18 this means. A 20 percent Wind Scenario in the United
19 States -- well, actually, before I say that, I can tell
20 you what it looks like in the United States and I can
21 tell you what it looks like in New England. Which
22 would you prefer? Would it be more relevant to talk
23 about the 20 percent scenario here in New England?

24 BY MR. PATCH:

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1 Q. I don't think it's appropriate for you to ask me
2 questions.

3 A. Okay.

4 Q. I just asked you a simple question. Which is, did you
5 agree that one of the conclusions of the report is that
6 "there are substantial positive impacts from wind
7 power"?

8 A. Let's talk about what the study said, okay? The study
9 said, "is it feasible for us to get to a 20 percent
10 scenario in the United States?" It wasn't intended to
11 be a road map or a literal explanation for how -- what
12 -- how we could get there and what the real costs would
13 be. It was simply, "can we get there?"

14 CHAIRMAN IGNATIUS: Ms. Linowes, I don't
15 think that was what the question was. Can you -- let's
16 try again.

17 MS. LINOWES: Okay. Do I agree with
18 whether or not wind energy is a substantial -- oh, go
19 ahead. I won't --

20 BY MR. PATCH:

21 Q. Do you agree that one of the conclusions of the report
22 was that "there are substantial positive impacts from
23 wind power"?

24 A. This study is very similar to -- okay. What this study

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1 is saying is that there can -- we can see a reduction
2 in carbon emissions if we build out wind to 20 percent
3 in the United States. What it does not clearly explain
4 is that we are building -- it's going to require
5 305,000 megawatts of wind energy built in the United
6 States, including 54,000 megawatts built offshore,
7 where zero megawatts are built today. And, the United
8 States currently has 50,000 megawatts of wind installed
9 today. It also means we're building thousands and
10 thousands of high tension transmission crisscrossing
11 the United States.

12 Q. I'm sorry to interrupt you, but, again, I don't think
13 you've answered the question. I think I've asked it
14 three times, --

15 A. Okay.

16 Q. -- and I guess I'm not going to get an answer. So,
17 maybe I should move on.

18 A. No. I will answer the question. The question is, "at
19 what cost?" The question is, "at what cost?" There is
20 a huge cost to build out a 20 percent wind scenario.

21 Q. Is this your conclusion or the conclusion of the
22 report? Because I'm trying to ask you about the
23 conclusion of the report, not what you think.

24 MR. ROTH: If I can, I think, Mr. Patch,

[WITNESS: Linowes]

1 if you look at Page 20, which is the last page of your
2 exhibit.

3 MR. PATCH: I don't need Mr. Roth
4 telling me where to look in the exhibit.

5 MR. ROTH: I think it draws the
6 conclusions.

7 MR. PATCH: I'm just asking Ms. Linowes,
8 you know, what her understanding is. She's the one who
9 cited the report. I brought it to the attention of the
10 Committee. I'm asking her if she agrees with that --

11 **BY THE WITNESS:**

12 A. Well, Mr. Roth is exactly right. The conclusion that
13 is there on Page 20: "There are significant costs,
14 challenges, and impacts associated with the 20 percent
15 Wind Scenario presented in this report." I agree with
16 that.

17 BY MR. PATCH:

18 Q. And, it also says "There are substantial positive
19 impacts from wind power expansion." Is that what it
20 says?

21 A. Well, let's sit down and do the numbers and determine
22 whether or not the costs outweigh -- whether the
23 benefits outweigh the costs. And, I think that, and my
24 conclusion, based on what little we know today, is that

[WITNESS: Linowes]

1 it's not going to be worth building 20 percent wind
2 power in the United States, let alone New England.

3 Q. Okay. A different subject area.

4 CHAIRMAN IGNATIUS: Mr. Patch, before
5 you go on, --

6 MR. PATCH: Yes.

7 CHAIRMAN IGNATIUS: -- we should
8 probably take a break. Unless you're getting close to
9 being done?

10 MR. PATCH: Maybe a half an hour more or
11 so.

12 CHAIRMAN IGNATIUS: All right. Why
13 don't we take a break for 15 minutes, get back here at
14 3:35. Thank you.

15 (Recess taken at 3:22 p.m. and the
16 hearing resumed at 3:42 p.m.)

17 CHAIRMAN IGNATIUS: All right. We are
18 back on the record from a quick break. And, Mr. Patch,
19 you are questioning Ms. Linowes.

20 MR. PATCH: Yes.

21 CHAIRMAN IGNATIUS: Please proceed.

22 MR. PATCH: Thank you.

23 BY MR. PATCH:

24 Q. Ms. Linowes, I don't know if you have in front of you

[WITNESS: Linowes]

1 the Matt Magnusson/Ross Gittell, Appendix 14A. You had
2 read from that before, in response to a question from
3 Mr. Roth.

4 A. Yes. I can get that.

5 Q. Page 28 was where you read from, and I just wanted to
6 follow up on that.

7 A. I'm sorry, is this the Lempster one or the -- the
8 Lempster or the economic?

9 Q. Yes, it's the Lempster property value one.

10 A. Yes. Sure.

11 Q. And, it was in the second paragraph of Page 28.

12 A. Yes.

13 Q. You had read the first sentence of that paragraph, and
14 -- actually, the second sentence I think is the one you
15 read, beginning "nevertheless"?

16 A. No, I read the first sentence.

17 Q. Okay. Well, I guess I'd like to read a couple more
18 sentences, and you tell me if I'm reading them
19 accurately. "Nevertheless, this analysis did not find
20 any statistically significant difference between the
21 sales of homes within the view of one or more turbines
22 and those with no view of a turbine." Did I read that
23 correctly?

24 A. You did.

1 Q. "The analysis also did not find any evidence to
2 indicate that distance to turbines (any indicator of
3 nuisance) had any impact on sales price." Did I read
4 that correctly?

5 A. You did.

6 Q. You had also made a point of discussing, in response to
7 a question from Mr. Roth, about "anticipated impact".
8 Do you remember that exchange with Mr. Roth?

9 A. I do. I do.

10 Q. And, I'm looking at Page 16 of the same report, and I'm
11 looking at the second paragraph. And, I'm looking at
12 the second sentence, where it says "It is expected had
13 there been a significant anticipation impact, that it
14 would have been uncovered when comparing the average
15 sales prices in communities around the Lempster Wind
16 Project with the overall region." Did I read that
17 correctly?

18 A. I'm sorry. Are you talking about the second paragraph
19 there?

20 Q. Page 16.

21 A. Right.

22 Q. The second paragraph.

23 A. Yes.

24 Q. The second sentence. I'm sorry -- yeah, the second

[WITNESS: Linowes]

1 sentence. "It is expected that". "It is expected".

2 A. Oh. Yes, I see that.

3 Q. Do you want me to read it again?

4 A. No. That's okay.

5 Q. All right.

6 A. Thank you. Was there a question?

7 Q. No. I just asked "if I read that correctly?"

8 A. Oh.

9 Q. Now, you've offered some testimony about "low gas
10 prices". Would you agree that it is important for a
11 region to have a diverse portfolio of generation
12 sources?

13 A. Capacity resources, yes.

14 Q. Even if there is a cost associated with such diversity?

15 A. I'm not sure I understand your question.

16 Q. Well, if it costs a little bit more to have diverse --
17 if natural gas is the cheapest form of generation right
18 now, should we put all our eggs in that basket? Should
19 we just have everything generated by natural gas, even
20 if it's a little more expensive to have some other
21 forms of power?

22 A. I think cost is an issue that has to be considered
23 overall. And, now, remind you that the New England
24 wholesale market is a competitive market. And, the

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1 price of electricity is set by the market. When you
2 talk about costs, if you're talking about the added
3 cost of adding renewable energy, that cost is not being
4 set by the market *per se*.

5 Q. Yes. It's interesting that you've said that a number
6 of times. I mean, as you've indicated, it's set by an
7 agreement between a willing buyer and a willing seller,
8 and typically based on some sort of RFP process that
9 gets to the lowest price available at a particular
10 time. Isn't that fair to say?

11 A. Not in New England, no.

12 Q. Not in New England?

13 A. No. Look at Cape Wind. That was not through an RFP
14 process. And, if you look at most of the power
15 purchase agreements that have been signed, they have
16 not been through an RFP process. The only one that I
17 know of that went through an RFP process was when NSTAR
18 contracted for Groton Wind for -- and two other
19 projects, wind projects.

20 Q. But there's some sort of process that the utility goes
21 through in order to weed out certain bidders or certain
22 potential, you know, potential generation sources that
23 they're going to enter into a PPA with, isn't that fair
24 to say?

[WITNESS: Linowes]

1 A. This is a really new market for New England. And, what
2 we are seeing is that the concept of power purchase
3 agreements are quite new or -- okay, let's step back
4 for a second. I'm not talking about PURPA contracts
5 here. I'm talking about power purchase agreements that
6 are now coming to play in the last couple of years
7 through renewable energy. Wind energy actually is the
8 one source of generation that is really demanding power
9 purchase agreements, because the wind developers and
10 their investors are demanding stability in the price
11 that they're getting for their energy. And, so, the
12 concept of RFPs, we should see more of those going into
13 the future. But, no, it has not. It has been largely
14 a case of a developer sitting down with a utility and
15 banging out a price that they could live with.

16 Q. But after going through some process to get there.
17 You're not suggesting that they just show up on the
18 door and they just start talking about a price. The
19 utility presumably, in order to justify to its
20 regulators, has to show that it's evaluated a number of
21 different options, doesn't it?

22 A. To some extent. I mean, what you -- you have to
23 understand, if you observed at all the process that
24 went through in Massachusetts when the Cape Wind power

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1 purchase agreement was approved, that was not a -- that
2 was a -- the regulators were asked to look at a very
3 narrow set of parameters. The bottom line was,
4 politically, they wanted that project to have a
5 contract, otherwise it would get built. And, everyone
6 came to a conclusion that, there was some modest
7 negotiation on it, but, by and large, Cape Wind
8 dictated the price, and the utility was guarantied rate
9 recovery. And, so, the only -- the only entity not
10 well represented in that process, and the only entity
11 that's going to lose, will be the ratepayers.

12 Q. I'm going to shift gears for a minute. And, in your
13 supplemental testimony, at Page 2, you said that "AWE
14 relies on new technology that has not yet been
15 commercialized." Do you recall that?

16 A. Yes, I do.

17 Q. And, I think you responded to a question or two from
18 Mr. Roth about that.

19 A. Uh-huh.

20 Q. Are you aware that the turbine at issue here, the
21 Acciona 3000/116 has completed its design
22 certification, and, by industry standards, is
23 considered commercially available for sale?

24 A. I know that there was some testimony as to the

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1 certification, and maybe I'm confusing what it was.

2 And, I -- I will concede. If you're saying that, I
3 have no reason to doubt it.

4 Q. And, are you aware that they have sold over
5 150 megawatts of Acciona 3000/116 turbines, including
6 30 megawatts that was recently announced at Prince
7 Edward Island?

8 A. I was not. But the questions I was asked were "whether
9 or not any were commercially installed?" And, that's
10 what I was responding to.

11 Q. Okay. And, are you aware that this turbine is
12 scheduled to receive its "type certification" by the
13 end of the second quarter of 2013? I think there was
14 testimony to that effect here.

15 A. I don't remember, but I have no question about that or
16 doubt about that.

17 Q. And, are you aware of the fact that wind turbines are
18 generally considered "project financeable" when they
19 receive their type certification?

20 A. How are you defining -- I don't understand what you
21 mean by "project financeable".

22 Q. I'm essentially asking whether you're aware that wind
23 turbines would be considered to be "tax financeable",
24 they would be financeable by a bank, or by an equity

[WITNESS: Linowes]

1 partner, or in some fashion like that, once they
2 receive their type certification?

3 MR. ROTH: Objection. There's no
4 foundation in the record for this assertion.

5 MR. PATCH: Oh, I think there is, as a
6 matter of fact. I think there was testimony offered to
7 this effect at the -- near the very beginning of the
8 proceeding. I'm just asking if she's aware of that?

9 **BY THE WITNESS:**

10 A. I don't have any basis to answer one way or the other.

11 BY MR. PATCH:

12 Q. And, I think you'd suggested that the turbine was
13 "unproven". But are you aware of any turbine supplier
14 that's operated one turbine for a hundred years?

15 MR. ROTH: Objection. That's not a fair
16 characterization of the --

17 BY MR. PATCH:

18 Q. In other words, --

19 MR. ROTH: If I could finish my
20 objection. That's not a fair characterization of the
21 method or way of going about "proving" a turbine, as I
22 recall from the testimony from last month.

23 MR. PATCH: I think there was testimony
24 that you had to have "100 turbine years".

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1 BY MR. PATCH:

2 Q. One hundred turbine years. And, so, I mean, would it
3 be practical -- practicable to operate one turbine for
4 100 years, I guess is what I'm trying to suggest,
5 before you would --

6 MR. ROTH: Again, the objection --

7 BY MR. PATCH:

8 Q. -- before you could make it commercially available?

9 CHAIRMAN IGNATIUS: Mr. Roth.

10 MR. ROTH: Again, the objection is, the
11 concept is being sort of twisted around to beyond
12 recognition. I don't think anybody testified that you
13 "take one turbine and run it 100 years". A hundred
14 turbine years could mean "200 turbines run for a half a
15 year".

16 CHAIRMAN IGNATIUS: I'll sustain the
17 objection. Mr. Patch, do you want to rephrase it?

18 MR. PATCH: I'll move on. Thank you.

19 BY MR. PATCH:

20 Q. In your supplemental testimony, Page 3, your second
21 supplemental testimony, which would be the
22 October 11th, you refer to an AWE project cost of
23 "\$45 million". Can you explain where this figure comes
24 from?

[WITNESS: Linowes]

1 A. Yes, and I'm trying to remember the -- all right, hold
2 on one second. Yes. I'm sorry, I don't have a copy of
3 the Deloitte in front of me, but that was one case
4 where they, apparently, at some point, AWE had put a
5 price out that this project would cost \$45 million.
6 That could have been a smaller project. I don't -- I
7 don't recall the source that Deloitte was pointing to.
8 And, I know that the project -- I believe the project
9 cost that was put out was \$55 million, and I'm going
10 from memory here, that a more recent cost.

11 Q. Well, are you aware that, in fact, in a supplemental
12 filing, AWE has provided a project cost range of 60 to
13 \$70 million?

14 A. I'm not aware of that. And, that's -- I take it from
15 your statement that that is the information that was
16 provided to Deloitte that Mr. Cofelice complained was
17 not incorporated into the report? I'm not familiar
18 with that information.

19 CHAIRMAN IGNATIUS: Mr. Patch, a
20 question to you, because that's not what I thought the
21 evidence was. So, I'd like to make sure I've got the most
22 current. Where's the source of your "60 to \$70 million"
23 figure?

24 MR. PATCH: I'd have to take a minute to

[WITNESS: Linowes]

1 find that. I think it's in one of the supplemental
2 filings. I don't know which one.

3 MR. IACOPINO: Mr. Kenworthy seems to
4 know.

5 MR. KENWORTHY: I think it's the Fourth.

6 MR. PATCH: The Fourth Supplement?

7 CHAIRMAN IGNATIUS: Well, let's not take
8 time to hold up questioning. But, before we're done with
9 your questioning, I would like the actual page numbers of
10 that, --

11 MR. PATCH: Okay.

12 CHAIRMAN IGNATIUS: -- so that I should
13 have the right information.

14 BY MR. PATCH:

15 Q. Also, on Page 3 of your supplemental testimony, Ms.
16 Linowes, in reference to the Deloitte report, you state
17 that you "agree that AWE has overstated its average
18 annual capacity factor". Can you refer me to where in
19 the Deloitte report they state that "AWE has overstated
20 it's annual capacity factor"? And, rather than, just
21 to try to move this along, I'll say, isn't it true
22 that, on Page 26 of the Deloitte report, they say --
23 they compared AWE to similar facilities in the
24 northeastern U.S. And, they said the capacity factor

[WITNESS: Linowes]

1 assumption is "within the range of observed capacity
2 factors". So, I guess I'm trying to ask you where, in
3 the Deloitte report, do you think it says that they
4 have "overstated their average annual capacity factor"?

5 A. And, I apologize, I don't have a copy of the Deloitte
6 report in front of me. But they do state in that
7 section, in the section where I believe they have the
8 tables showing the capacity factors of various
9 projects, that says that the Project capacity factor is
10 "within the range of observed capacity factors,
11 however, it is near the upper end of the range and well
12 above the mean, medium, and upper quartile of the
13 data." And, I agree with that.

14 Q. Okay. But they didn't say it was "overstated", did
15 they?

16 A. They -- I believe it's been overstated, and I
17 believe --

18 Q. I know you believe that, but I'm asking you whether
19 they have said that? Because you say you "agreed with
20 them", and they didn't say that, did they?

21 A. They did not say it was "overstated", correct.

22 MR. PATCH: In response to the
23 Chairman's question, the supplement to the App., AWE 9,
24 Page 4, Section H.5 says "60 to \$70 million".

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[WITNESS: Linowes]

1 CHAIRMAN IGNATIUS: Thank you.

2 BY MR. PATCH:

3 Q. And, I know you've, in your testimony, with regard to
4 capacity factors, you -- and in response to questions
5 from I believe it was Mr. Simmons, you discussed a
6 number of matters related to meteorology. Do you have
7 a degree in meteorology?

8 A. I don't. And, I believe I stated that.

9 Q. Have you ever been employed by a bank or a tax equity
10 provider to evaluate the wind resource for a wind
11 turbine project?

12 A. I have not.

13 Q. On Page 8 of your supplemental testimony, and I believe
14 it's Supplemental 2, so, I guess that's the
15 October 23rd testimony, you state that "Fixed-price
16 contracts shift all the risk to the ratepayers". Do
17 you remember that?

18 A. I do.

19 Q. Isn't it true that, in a case where the cost of energy,
20 plus RECs, increase above the level of the fixed-price
21 contract, that the ratepayer benefits from a
22 below-market price? In other words, aren't there
23 circumstances under which ratepayers actually benefit
24 from a below-market price? How can you say

[WITNESS: Linowes]

1 categorically that it "shifts all the risk to
2 ratepayers"?

3 A. I'm sorry. When you say a "below-market price", what
4 are you referring to?

5 Q. I'm talking about a situation where, essentially, the
6 PPA ends up being below-market price, you know,
7 because, if you've got a PPA going out over 10 years or
8 15 years, there's no guarantee, is there, that it's
9 always going to be above whatever the market price is
10 at any one point in time?

11 A. Okay. That's a fair question. And, let me answer it
12 this way. When we have natural gas prices or the cost
13 of -- the wholesale price of electricity now on average
14 between four and five cents, and it will range over the
15 course of the year anywhere from two to five cents a
16 kilowatt-hour wholesale. And, you have a power
17 purchase agreement, which will be a typical power
18 purchase agreement for onshore wind, ranging between
19 nine and eleven cents. Let's take the low end, which I
20 use in my example on Page 5 of my supplemental
21 testimony. That is an above-market cost. Now, I --
22 and, it's locked in. If that price were not locked in,
23 and it was simply no power purchase agreement, but the
24 price of the energy that's being sold, plus the REC,

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1 over the course of ten years, I would have no issue
2 with that, with that pricing.

3 But, when you lock in the price, at five
4 -- at either four or five cents a kilowatt-hour above
5 the above-market cost, and we have forecasts that are
6 showing the above-market -- that are showing
7 electricity prices are going to stay flat or low. We
8 have forecasts from the ISO-New England stating demand
9 for energy is going to stay flat or very slight
10 increases. Then, what you have is a situation where
11 you've locked in the price, when, with no clear
12 indication that the price is going -- that the actual
13 wholesale price is going to go up.

14 So, if we were living pre-2008, you may
15 have more of an argument then, that you could see
16 fluctuations of natural gas. And, it might, at times,
17 be above the power purchase price. But we know from --
18 we know that natural gas, let's assume that the whole
19 fracking doesn't exist, we know the history of natural
20 gas is that it goes up, and, as much as it goes up, it
21 goes down. And, everyone benefits both ways. The
22 moment you lock this price in, the ratepayer has no
23 benefit from the pricing going up or down, nor does the
24 ratepayer benefit at all by REC prices going up or

[WITNESS: Linowes]

1 going down. You've locked it in, and it's that for 15
2 or 20 years.

3 So, yeah, on some occasions, maybe
4 natural gas prices will go up, and the ratepayer will
5 benefit by this power purchase agreement. All
6 indications are, rates are going to stay low. And, you
7 are made -- the developer, holding this PPA, is made
8 whole, and everyone else covers the risk.

9 Q. So, you seem to be suggesting that the ratepayer
10 benefits -- well, first of all, you said sort of "take
11 fracking out of the equation".

12 A. Right.

13 Q. How do you "take fracking out of the equation"?

14 A. Well, you can't. The reason I suggested that was
15 because we did see market natural gas fluctuations
16 predating this new technology that we now have.

17 Q. We saw significant ones, didn't we?

18 A. We did. And, we also saw the price come down. And,
19 so, all those forecasts back in the PURPA days, when
20 everyone was projecting gas -- that electricity prices
21 and fuel prices were going to go up, we locked in
22 contracts. And, what happened? The fuel costs came
23 way down, and everyone was stuck with those long
24 contracts. That's what I'm talking about here. We're

[WITNESS: Linowes]

1 effectively creating a PURPA world, when we don't have
2 to. And, that's the issue that I have, and many people
3 have, with power purchase agreements, long-term power
4 purchase agreements.

5 I have no issue with the wind projects
6 getting paid the value of -- market value for wholesale
7 electricity. I have no issue with the wind developer
8 paid a market value for RECs. But the idea of locking
9 it in over the long term, that is the issue and that's
10 where the ratepayers are harmed by them.

11 Q. So, it sounds like you think it would be prudent to
12 expose ratepayers 100 percent to changes in natural gas
13 prices. Forget about nuclear, forget about all other
14 kinds of power. But just have ratepayers subject to
15 the fluctuations in the natural gas market. Is that
16 what I'm hearing you say?

17 A. Mr. Patch, right now, wind energy, at least at the end
18 of 2011, represented 396 megawatts. It represented
19 0.6 percent of the overall generation consumed by the
20 ratepayers. They're already absorbing the impact of
21 fluctuating natural gas prices. And, thank goodness
22 for that, because we've got really low prices right
23 now. And, I don't think any amount of wind -- this
24 project certainly is not going to change or affect the

[WITNESS: Linowes]

1 fluctuations of natural gas prices. But what it will
2 do, what it will do is end up -- ratepayers are going
3 to, whoever -- whatever utility signs a power purchase
4 agreement for this power, their ratepayers are going to
5 pay, this is very conservative, will be paying
6 \$76.8 million in above-market costs for the energy just
7 for a 15-year power purchase agreement. That's what
8 I'm saying.

9 Q. I know, without getting into many of the -- I guess I'd
10 refer to them as "faulty assumptions" in that chart
11 that you have in your testimony, I mean, aren't you
12 ignoring sort of one major thing here, which is a lot
13 of what this is about, which is, you know, do we have a
14 problem with global warming or do we not have one? Do
15 we have a state policy that encourages the development
16 of renewable energy projects in this state, as well as
17 in the other New England states? Aren't you ignoring
18 that when you talk about this?

19 A. No. I'm not ignoring that. But I will remind you
20 then, when the RPS policy was put in place, that the
21 residents of New Hampshire and all of the residents in
22 all of the states were under the impression that two
23 things would happen under RPS policies: One, they will
24 not -- there will not be a significant impact on retail

[WITNESS: Linowes]

1 prices, and, two, that there will be some kind of
2 economic development benefit that will be associated
3 with it.

4 But let's put that aside and let's
5 answer the question of environmental benefit. No one
6 said that we had to pay significant dollars above
7 market costs to get to that point, I think that, if you
8 -- to get to a point of where we're going to address
9 the carbon emission issue. If, barring everything else
10 I said, that we've already seen a significant reduction
11 in our emissions. Our electric generation in New
12 England is very clean and getting cleaner.

13 Okay. But that being said, if the -- I
14 think that it would be very fair to go to every
15 ratepayer right now and said, "say, by the way, when
16 you -- when we introduce these RPS policies and we need
17 to build wind in order to meet our obligation," if
18 that's where we're going, "do you understand and do you
19 accept that you're paying significant amounts of money
20 of above-market costs for that protection?" And, then,
21 ask them -- let's be fair and ask people that question.
22 I don't think they have been made aware of it, I don't
23 think that we were fully aware of it until the last
24 couple of years when PPAs started becoming kind of a

[WITNESS: Linowes]

1 general requirement for wind to be -- to actually get
2 built in New England.

3 Q. But that's not this Committee's job, is it, to sort out
4 whether it's economically the right price or the wrong
5 price for ratepayers to assume responsibility for?
6 That's not this Committee's job, is it?

7 A. I appreciate you're asking that question, because
8 that's an important one. The question -- this
9 Committee is tasked, in my opinion, with understanding
10 whether or not the benefits of a project being built
11 outweigh the costs.

12 Mr. Magnusson, when he did his economic
13 study on this project, ignored the costs -- well, no, I
14 won't say that, he said that "there were no costs
15 associated with this project", he stated that under
16 cross-examination. In fact, there are costs associated
17 with this project, and they have not been made fully --
18 they have not been fully vetted. But, that being said,
19 I think that the Committee would be in its rights to
20 evaluate what the overall cost of this project is,
21 balanced against its benefits. And, to say "we don't
22 have to worry about it, because Rhode Island will end
23 up being the state covering the cost", I'm not sure
24 that is an appropriate approach.

[WITNESS: Linowes]

1 MR. PATCH: No further questions. Thank
2 you.

3 CHAIRMAN IGNATIUS: Thank you.
4 Questions from the Committee?

5 (No verbal response)

6 CHAIRMAN IGNATIUS: I do have some.

7 BY CHAIRMAN IGNATIUS:

8 Q. Just a moment ago Mr. Patch was asking you about
9 "above-market costs", and you had said that over a
10 period of time there would be a "\$76 million
11 above-market cost as a result". Can you -- and, I'm
12 looking at your testimony, IWAG-2, Page 5, you have a
13 chart you've set forth. Can you walk through what your
14 assumptions are in that chart and what -- well, let's
15 first start with what your assumptions are?

16 A. Yes. On the contract price, I took the low end of what
17 the onshore wind project contract -- long-term power
18 purchase agreements have been signed, what we know them
19 to be, in the 9 to 11 cent range. I took the low end
20 of that. And, then, I mapped that, I compared that to
21 the wholesale price, which is the -- this would be the
22 24/7/365 average cost of natural gas that we're
23 anticipating for the next 15 years. And, so, I only
24 went out 15 years, because I don't know what's going to

[WITNESS: Linowes]

1 happen beyond that.

2 Q. So, the wholesale price is a natural gas wholesale
3 price?

4 A. Yes.

5 Q. All right.

6 A. Well, I'm assuming that natural gas is going to
7 continue to drive the price of electricity in New
8 England. And, then, I took from Dr. High's report the
9 amount of production from the project per megawatt-hour
10 per year. And, so, I took the difference between the
11 contract price and the wholesale price, which then
12 would be \$50, and I multiplied that by the number of
13 hours of production, and came up with the revenue to
14 the project that would be above market costs, and then
15 summed that for 15 years. Now, we can be conservative
16 and only look at 10 years. Or, we can be conservative
17 and change that price to \$50 for the wholesale price,
18 rather than 40. But, in any event, 10 years plus, we
19 look at the numbers, we're still looking at a pretty
20 significant above-market cost that at least exceeds
21 what has been proposed as the financial benefit of this
22 project, which is \$55 million, I believe.

23 Q. And, you may have just said this, but what was your
24 source of the "\$40 wholesale price"? I know you said

[WITNESS: Linowes]

1 you were tracking what projections for natural gas are.

2 But do you have an actual cite to a source for that?

3 A. In this case, I did look at several locations,
4 including the EIA for New England. And, also, I did
5 base that on my conversations with people in the energy
6 market and what they're selling generation for
7 wholesale. Mr. Patch -- actually, it was validated
8 when I -- when Mr. Cofelice was on the market -- on the
9 witness stand, he did state that as well. That today
10 the prices are there in that range.

11 Q. Do you know the status of any PPA in this particular
12 case? Is there one in place?

13 A. The only information that came forward was -- there is
14 none. That Antrim Wind stated that they were
15 short-listed for a possible PPA with Narragansett,
16 which is the National Grid in Rhode Island.

17 Q. And, you're not aware of anything further that -- that
18 that may have developed any further?

19 A. I am not.

20 Q. Mr. Roth asked you this, and I want to ask a similar
21 question, because I'm not sure I followed your answer.
22 He said, if the costs are greater than have been
23 projected here, or if the financial attractiveness of
24 the project isn't as great as the Company may think it

[WITNESS: Linowes]

1 is, what's the harm? What difference does that make to
2 this proceeding? I mean, that's a business decision
3 that the Applicant is making, is it not?

4 A. I agree. It is a decision. But it comes into the
5 projection of the cost of the electricity. So, if the
6 Applicant today understates the value -- the capital
7 costs of building the project, and absent -- okay, if
8 he understates it, then we're going to make several
9 assumptions in terms of how much money the project is
10 going to need to be financially viable based on that.
11 And, if it turns out the project is much more
12 expensive, he's still able to finance it, he's still
13 able to get a PPA, but it may be at a much higher
14 price, then -- to cover his capital costs and profit,
15 then there may be a surprise after the fact that this
16 project's benefits are actually much less than the cost
17 of the project. And, again, I'm always looking at
18 "what is it going to cost in terms of the price of the
19 electricity?" Because, ultimately, that's what we're
20 all dealing with. That is part of this project. And,
21 so, there -- it lies in there.

22 Now, if the Applicant were much more
23 forthcoming with its information about the project
24 costs, much more -- I mean, the true -- the layout, he

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1 has not been forthcoming in terms of the breakdown of
2 what the project is going to cost, he has not been
3 forthcoming about his pro-forma, financial pro-forma on
4 the project, then it would be an easier job for us to
5 look at and evaluate it. But all we have is what he's
6 saying his project costs would be and what we know of
7 PPAs in New England.

8 Q. But, still, let's focus on what are the consequences to
9 the Company being -- let's assume they're wrong on
10 their financial projections, and it turns out to be a
11 project that can't be financed. What's -- or, it can't
12 negotiate a PPA, then what's the import of that? I
13 mean, I'm trying to get an understanding of what your
14 -- what is your concern about the financial
15 projections?

16 A. That's a good question. And, if the project is not
17 financeable, if it turns out it's too risky, too
18 expensive, they can't justify it, they can't get a PPA
19 because of the amount of money it's going to cost, then
20 no one cares, except the Applicant. But, if this
21 Committee and the -- if this Committee chooses to try
22 to understand what is the true cost of this project,
23 the assumption being, it can get built, it can get
24 financed, it can get a PPA, then we need to have a

[WITNESS: Linowes]

1 better understanding of what the real costs are going
2 to be, so that we can have a good understanding of the
3 cost of its electricity. And, that's the import right
4 there. I don't think it's anything more than that.

5 And, then, this Committee may not be the
6 one -- or, rather, the Public Utility Commission of New
7 Hampshire may not be the body that's going to be
8 approving a PPA. So, it would be outside of New
9 Hampshire's control. But, in any event, I think, if
10 approving this project, we should at least have a good
11 understanding of its costs, even if the costs were
12 borne by another part of the region.

13 Q. And, who else might be approving a PPA?

14 A. The Public Utilities Commission or its equivalent, in
15 New Hampshire it would be the Public Service -- rather,
16 Vermont, it would be the Public Service Board that
17 would be approving the PPA.

18 Q. If it were negotiated by a regulated utility in that
19 state?

20 A. Yes.

21 Q. I got the sense in your testimony that there was almost
22 an intentional desire -- that you were perceiving an
23 intentional effort on the part of the Applicant to
24 understate the costs of the project, rather than an

[WITNESS: Linowes]

1 error in numbers used. Is that your view, that there's
2 been an intentional effort to low-ball the costs?

3 A. I don't -- I can't explain why the numbers were
4 initially very low. I mean, when I -- I do, when I
5 look at the table that I had, they had said, for a \$55
6 million project, it would be -- that comes out to 1.8
7 -- \$1,833 per kilowatt, which is very, very low. And,
8 it -- in my footnote there, this is on Page 3, a
9 \$65 million project would equate to a \$2,167 per
10 kilowatt, still very low. And, I wasn't -- I wasn't
11 saying it was intentionally being left low. What I was
12 raising doubt about was whether or not the Applicant
13 fully understood the cost of its project in the state
14 of -- in the New England region. And, so, it went more
15 to the experience level than it went to trying to drive
16 down the price.

17 We know that, because of Section 1603,
18 because of the Production Tax Credit, because of the
19 significant amount of federal funding that's been
20 available to wind projects, that, in general, for
21 particularly Section 1603, projects, the more expensive
22 they were, the more money they received from the
23 federal government. There was no incentive to drive
24 down costs. And, we saw actually an increasing in the

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1 cost of the turbines and the installation of turbines
2 in the last few years, despite comments -- statements
3 that are in the *20 Percent Wind Power by 2030* that said
4 "we're going to see" -- "we're anticipating a dropping
5 of turbine prices."

6 So, I mean, I applaud anyone who could
7 bring their projects in at lower. But, the reality is,
8 the turbine manufacturers are actually driving a lot of
9 the cost as well. And, so, it went to the question of
10 experience.

11 Q. If your projections that the Production Tax Credit may
12 not be -- well, "renewed" isn't quite the right word,
13 kept alive, --

14 A. Uh-huh.

15 Q. -- and natural gas prices are to remain very low, in
16 coming years, what do you see is the financial
17 viability for a project like this?

18 A. Two things are going to have to happen in order for a
19 project like this to stay viable, or any wind project
20 in New England. (a) They're going to have to drive
21 down their prices, significantly more, perhaps
22 30 percent or better, per turbine. It's going to have
23 to -- it's going to have to drop significantly. The
24 second thing that's going to happen is that the price

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1 of RECs are going to have to go up in order to account
2 for the loss of revenue that's coming from the PTC,
3 Production Tax Credit. We know that the alternative
4 compliance payment is set by law. So, we're already at
5 the cap at this point, around \$60 or better. So, it's
6 not clear where any project is going to be able to
7 recover the lost revenue if the PTC does not come. So,
8 I believe, in New England, unless the developers are
9 able to drop their price significantly, wind is
10 probably going to come to a screeching halt in New
11 England.

12 And, let me just state one more thing.
13 If we're living in this world of power purchase
14 agreements, where now everything is -- now it's not a
15 question of energy prices, it's not a question of RECs,
16 it's all a question of what can you negotiate with your
17 utility, with the utility that's willing to buy your
18 power, then I think the range of 9 to 11 cents is going
19 to go up on the PPAs. So, we're not going to see --
20 we're going to see somewhere the wind developer is
21 going to have to recover the loss of the PTC. And, it
22 will be somewhere around, I believe, 3.4 cents a
23 kilowatt-hour, kind of a significant increase.

24 Q. You had a discussion, both in your prefiled and a

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1 little mention of it today, about Class I RECs, and how
2 much of them are made up from existing plants. And, I
3 got lost in your description. It's on your IWAG-3,
4 Page 6. And, I looked to the memo that supported it
5 from you and Mr. Short, and that didn't help me. So,
6 can you describe -- I guess you don't need to tell me
7 everything about that issue, but, as it relates to this
8 project, and as it relates to the issues we're looking
9 at for the Antrim proposal, what is it about -- that is
10 of concern to you about current Class I RECs?

11 A. The reason I bring the point up is because Mr. Cofelice
12 and others, other advocates, proponents for the
13 project, have said multiple times that this project
14 needs to be built in order for us to meet RPS
15 obligations. And that, in fact, the extension of that
16 statement is, "We need to keep building, building,
17 building more wind, otherwise we're going to fall
18 behind in our RPS obligations and our costs to our
19 ratepayers will go up, because the utilities will be
20 stuck with the ACP."

21 I'm trying to make the point here that,
22 when you evaluate what actually met -- how was
23 compliance met in 2011, and I think we'll see some more
24 of this in 2012, when we look at it, in fact,

[WITNESS: Linowes]

1 compliance was not met with new projects. And, I have
2 to tell you, several years ago I would not have
3 expected this.

4 Q. When you say "new", what do you mean?

5 A. Greenfield projects, a brand new built renewable energy
6 project, such as the Antrim Wind Project.

7 Q. So, you're saying there are things that have been
8 certified to meet Class I eligibility that as of some
9 date were preexisting, and what that date is is --

10 A. Yes. In fact, including some biomass facilities that
11 are 20 plus years old.

12 Q. Well, are you talking about multiple states here, and
13 not just New Hampshire?

14 A. Yes. I am talking about multiple states.

15 Q. All right. So, none of these numbers relate
16 specifically to the New Hampshire Class I certification
17 standards, is that correct?

18 A. That is correct. But, as a region, we're finding that
19 the price and the compliance is -- it's not entirely
20 contained within states. So that the compliance is
21 met, particularly for Class I, we're finding that that,
22 if a -- we're seeing that projects are becoming
23 compliant in multiple states. And, if, for instance,
24 Massachusetts is out of compliance, much of the region

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1 is -- the region is out of compliance. And, if
2 Massachusetts is in compliance, the region is in
3 compliance. So, it's difficult to just isolate New
4 Hampshire and just look at New Hampshire and the REC
5 market.

6 Q. Well, at least for New Hampshire REC certification for
7 Class I, any project that's been around for 20 years
8 would have to have gone through significant upgrading
9 of its emissions in order to qualify as a new facility,
10 correct?

11 A. That is absolutely right. And, the point being, if I
12 may add on to that, when you start seeing REC prices at
13 the ACP level, that is a market signal to say "clean up
14 your act and be part of the process". And, that's why
15 we're seeing, in some of cases, these biomass
16 facilities are cleaning up. In other cases, it's not
17 -- in other cases, these projects, they may not be
18 biomass, but some behind the meter, they don't have to
19 do anything but apply.

20 So, once you start certifying a project
21 in one state, you might see other projects, you know,
22 they move around to try and get the best price for what
23 they're doing. And, it's fairly fluid.

24 Q. So, is your conclusion, the reason for bringing this up

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1 is not that there's a problem with the Class I REC
2 market, but that it's being satisfied with things, in
3 great part, being satisfied with things other than new
4 development?

5 A. Yes. And, that's such an important point. Because
6 this mentality that we have to build new, new, new, in
7 order to meet RPS, is ignoring the ingenuity and the
8 ability of markets themselves to work. And, when the
9 price is high, that's a signal to do something, not
10 necessarily build green, get in compliance, then that
11 saturates the REC market, the prices go down, and now
12 we're fine. And, then, you know, we're acknowledging
13 that the REC market -- the RPS also does have this
14 pressure to keep increasing the percentages. But the
15 market is working, the REC market is working. And, to
16 assume, from the proponent's perspective, that we need
17 to build this in order to meet compliance, I'm saying
18 there are other options.

19 Q. But, isn't the REC market working, another example of
20 that would be applications like this?

21 A. Yes. Yes. And, I don't disagree with that. I'm just
22 saying that, if the Committee was compelled to approve
23 this, because you feel the pressure of RPS on your
24 backs, that then there is a different perspective.

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1 And, that's all I'm saying.

2 CHAIRMAN IGNATIUS: All right. Thank
3 you. That's helpful. I have no other questions.
4 Anything else from the Committee? Dr. Boisvert.

5 MR. BOISVERT: Very quickly.

6 CHAIRMAN IGNATIUS: Can you pull the
7 mike down?

8 MR. BOISVERT: Very quickly.

9 BY MR. BOISVERT:

10 Q. Under questioning by the Applicant, you said that you
11 anticipated load reduced demand of electricity through
12 2022. In modeling for that projection, does that take
13 into account the introduction of plug-in electric cars?

14 A. Probably not.

15 Q. The hybrid cars have been out now for almost 20 years
16 and they're gaining solid acceptance in the market.
17 Plug-in electric cars seems to be the next step in the
18 evolution. And, I wonder what would be the impact of
19 adding 20,000, 40,000, 100,000 electric cars that would
20 want to, obviously, have their batteries recharged.
21 And, I can anticipate a scenario where, the fact that
22 wind energy comes mostly at night, that might be a
23 convenient time to recharge most electric vehicles.
24 Would that not then change the dynamic of the

[WITNESS: Linowes]

1 projection that the rates would stay low?

2 A. I have in front of me -- well, I have in front of me
3 the ISO's energy forecast. This is going from -- out
4 to 2022. I can check to see if that -- and, I answered
5 too quickly, because I know that the ISO is staying on
6 top of the changing policies and requirements, and also
7 the market changes.

8 But it's really important to add onto
9 what you're saying, that there's a very high cost
10 associated with plug-in vehicles. And, there are many
11 locations in New England that are not conducive to
12 plug-in vehicles. I suspect, given the abundance of
13 natural gas, that we are probably going to see a fleet
14 change towards natural gas-powered vehicles before we
15 see a significant market with 100 percent
16 electric-powered vehicles.

17 And, just the sheer cost of those, I
18 don't know if we'll see the price come down enough to
19 make a difference in the next ten years.

20 But I can -- I would be happy to check
21 on the ISO's report and see what they're projecting for
22 electric -- electric-powered vehicles, if you would
23 like me to?

24 MR. BOISVERT: I'm just curious if the

[WITNESS: Linowes]

1 models that you're referring to take that into account?
2 Because, if they do not, potentially, that would be a
3 significant impact on the demand on electricity, then I
4 would anticipate there would be a demand for a higher
5 cost. And, that's all I have, thank you.

6 WITNESS LINOWES: Thank you.

7 CHAIRMAN IGNATIUS: Thank you. Anything
8 else? Mr. Stewart.

9 BY DIR. STEWART:

10 Q. I'm trying to understand -- excuse me -- this idea of
11 the true cost versus what we should be concerned about
12 as the Site Evaluation Committee. I mean, I'm just
13 starting to figure this, the financing of these things
14 out. And, it's kind of obvious that, at true cost,
15 that wind is not competitive with natural gas. But
16 there's been public policy decisions made, some of
17 which are in flux, you know, like the Investment Tax --
18 Production Tax Credit, which knocks out 30 percent of
19 the cost right at the front-end to make these
20 facilities more competitive by definition, you know,
21 more or less. And, I'll get to some questions, I'm
22 trying to set this up a little bit. The question of
23 market, aren't these facilities really, they're not on
24 the open market, they're operating in this renewable

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1 portfolio market?

2 A. Is that a question?

3 Q. Yes.

4 A. No, they are in the open market. If I own a wind
5 generator, and I'm producing electricity, I'm putting
6 it on the grid, it's getting -- I'm selling it. It's
7 getting -- rather, excuse me, I'm selling it out there
8 and I can -- at the open market, and I'm getting this,
9 the real-time market for it.

10 I'm not -- are you familiar with the
11 day-ahead market and the real-time market?

12 Q. Yes.

13 A. Okay. So, I am almost certainly operating in the
14 real-time market, and that is the price I'm getting for
15 my energy. Separate from that --

16 Q. The producer is generally selling to a power company
17 that's trying to meet --

18 A. A utility, right.

19 Q. -- a utility is trying to meet a Renewable Portfolio
20 Standard.

21 A. Right.

22 Q. And, that's a different -- that's where the power
23 purchase agreement comes in, isn't it?

24 A. Well, if there were no power purchase agreement, that's

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1 where the -- that's where the applicant or the wind
2 generator is operating truly in the competitive market.
3 There are two elements, there are two sources of
4 revenue for that project. There is the energy that he
5 sells on the grid, and he's getting the market price
6 for it, and then there is the value of the REC, which
7 he should be getting the market price for. And, today,
8 you know, I'll just say, today, the 24 -- the 24/7/365
9 average price of electricity in New England is 4 cents,
10 \$40 a megawatt-hour, okay? And, the price of a REC is
11 around \$60 a megawatt-hour, okay? So, if I were a wind
12 generator today, I had no PPA, I'm selling my
13 generation and I'm selling my RECs, and I'm getting
14 \$100 a megawatt-hour, okay? In the future, when
15 compliance has been met, that REC price may go down to
16 \$10 a megawatt-hour. And, now, instead of \$100, I'm
17 getting \$50 a megawatt-hour. And, I'm still operating
18 in the market, and the market -- there are two markets
19 there. There's the market, which is the energy market,
20 is the wholesale competitive market, and the other
21 market is the value of the REC, which is a competitive
22 market.

23 Now, that, if Antrim Wind today walked
24 in the door and said "this is what I want to do", I

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1 have no objection to that. They're working in the
2 market, and the market will decide "could the developer
3 live with those prices?" But, when he walks in and
4 signs a power purchase agreement, now he's operating
5 outside of any market. He has signed a contract with a
6 utility that has guaranteed him, let's say, for sake of
7 argument, \$90 a megawatt-hour every hour that he
8 generates for the next 15 to 20 years, okay?

9 Q. Isn't the utility making a business decision to sign on
10 for this long-term agreement, because, presumably, it's
11 to their interest to do so, based on supply and demand
12 for renewable energy credits or something equivalent to
13 that?

14 A. Yes and no. I mean, on one level, the utility is
15 concerned that the ACP is going to drop -- he's going
16 to be stuck with the ACP, he is not able to buy the
17 RECs and, therefore, it will be cheaper in the long run
18 to sign up and guarantee that he has a steady supply of
19 RECs coming in. That's with the PPA. But, even at
20 that, it's very -- do you understand what I mean?

21 Q. Yes.

22 A. Okay. But, even at that, that's -- it could be very
23 costly. And, let me explain what the State of
24 Massachusetts has done in that case. With their Green

[WITNESS: Linowes]

1 Communities Act, which is the act which drove the Cape
2 Wind power purchase agreement, it's the act that drove
3 the NSTAR power purchase agreements for Groton Wind and
4 other projects. The utility, National Grid, NSTAR are
5 both receiving four percent above the price of their
6 PPA, just for agreeing to sign the PPA. So, they're
7 not only -- they're being paid. So, not only are they
8 signing a contract with the power generator to pay a
9 fixed amount for 15 to 20 years, they are also, on top
10 of that, collecting 4 percent from the ratepayer for
11 every kilowatt-hour generated. They turn around then
12 and sell that energy, they can't tell the REC, because
13 they need it, they're going to sell the energy at the
14 market price. That difference between the market price
15 and the power purchase agreement is going to go to the
16 developer and it's going to go to National Grid, four
17 percent.

18 Q. Aren't these policies of various legislators -- or,
19 legislatures across New England and other regions? I
20 mean, ultimately, I'm trying to understand how this
21 fits into our decision process here. And, what I'm
22 seeing is, legislative policy that is -- that's setting
23 the -- you know, on a supply and demand, within, for
24 example, the renewable portfolio sector, if you

[WITNESS: Linowes]

1 will, --

2 A. Uh-huh.

3 Q. -- these various prices. And, I'm trying to understand
4 why we should get into that here, to be honest?

5 A. And, I think that's a valid question. I will just say
6 that none of this would matter if the PPA weren't part
7 of this project or the Applicant is saying "I need a
8 PPA." Once -- because then it doesn't matter, the
9 policies are in place, and the proponent is operating
10 within the market, the two markets, the REC market and
11 the energy market. When an applicant comes forward and
12 says "I need a PPA to make this project even viable",
13 what that is saying is "I need to fix the costs so that
14 my risks are not borne by me. I, as a developer,
15 cannot be financially viable, if I have to deal with
16 the REC market that may drop RECs down to \$10 a
17 megawatt-hour or I'm not viable if wholesale prices for
18 electricity continues to stay down low."

19 Q. None of these projects are viable without these
20 guarantees. I mean, they're not operating against the
21 natural gas sector in that sense. It depends on
22 legislative policy --

23 A. Right. But the legislative --

24 Q. -- that drives viability?

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[WITNESS: Linowes]

- 1 A. The legislative policy doesn't say "PPAs". That --
2 and, so, all I'm -- it does not say that they have to
3 sign PPAs, not here in New Hampshire. And, all I'm
4 suggesting, and it really is the Committee's decision,
5 but all I'm suggesting is that, when you evaluate the
6 benefits of this project, where they're saying it's
7 going to bring economic opportunity to the region,
8 local region, that should be balanced against the
9 long-term cost of this project, in terms of the
10 significant amount of above-market costs that this
11 project's likely going to take, and because that is a
12 cost that's going to be borne by someone, not the
13 proponent. It's going to be borne by the ratepayers.
14 And, there -- that needs to be understood, in my
15 opinion. Now, this Committee could choose to not think
16 that's important, but I think it's part of the
17 equation.
- 18 Q. Concerning capacity factor, you may be right, the
19 Applicant may be right, I don't know, relative to what
20 will happen with respect to the amount of power that a
21 wind facility will create on an annual basis. One way
22 to look at this is, if you're right and they're wrong,
23 then the cash flow isn't going to come in, if I
24 understand this right, because the cash flow is based

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1 on the kilowatts delivered to the grid, the
2 kilowatt-hours, or whatever, megawatt-hours. What
3 happens during that scenario, potentially, I want to
4 see if you agree, is, you know, the mortgage can't get
5 paid, so there's a foreclosure, and the facility goes
6 bankrupt, and then someone else buys the facility.
7 And, so, the wind energy potentially still gets
8 generated. Do you see it that way?

9 A. Yes. And, I think I understand what you're saying.

10 And, I'll just say that their finances, of which we are
11 not privy to, are not based on the P50 number, which is
12 the 39 or the high 30 capacity factor, it's based on
13 something lower. So, then, the anticipation based --
14 the anticipation of their investors is the project will
15 produce less generation than they're saying. So, it is
16 really a marketing question. We're being told it's
17 going to produce all this electricity, it's going to
18 allow us to back out carbon emissions, it's going to
19 allow us to reduce our reliance on fossil fuel and on
20 and on. But I think it's not -- so, if it reduces
21 less, it's probably not going to go bankrupt, because
22 the investors are anticipating it's going to produce
23 less, but are we getting a full picture of what it's
24 going to generate? In fact, if it produces less, it's

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1 going to be less costs. And, if they sign a PPA
2 anywhere near what I suspect it will be, the less it
3 produces, the less costly this project will be for the
4 ratepayers. But, I do, I don't think it's going to go
5 bankrupt. And, the project will still produce -- it
6 will still get built, still produce, and it will
7 probably make the revenue they expect it to make.

8 DIR. STEWART: That's actually a fairly
9 real, I'll end, a fairly real scenario that we've seen
10 with, ironically, natural gas facilities in New Hampshire,
11 where ownership turned over over 15 years or so. And,
12 now, the business is booming. So, I was just wondering
13 what your perspective was.

14 WITNESS LINOWES: Did I answer your
15 question?

16 DIR. STEWART: Yes. Thank you.

17 CHAIRMAN IGNATIUS: I know Mr. Iacopino
18 has questions.

19 BY MR. IACOPINO:

20 Q. Ms. Linowes, you have seen the representation by the
21 Applicant in this docket that they are going to have to
22 finance this project through a project financing,
23 correct?

24 A. Correct.

[WITNESS: Linowes]

1 Q. And, they've also, I believe at some point, somewhere
2 in the record, made the representation that, in the
3 absence of a power purchase agreement, that would not
4 occur?

5 A. Yes.

6 Q. Okay. Do you agree with that?

7 A. Yes, I do.

8 Q. Okay. You make -- you made, on several occasions, you
9 made references to the year "2008", and that "things
10 have changed since 2008." Do you apply importance to
11 2008, because that's when the natural gas prices
12 started to decrease, based on the exploitation of the
13 various shale resources?

14 A. Two things happened in 2008. We had a market collapse,
15 not a natural gas market collapse, we had an entire
16 market. And, that dropped demand precipitously for
17 electricity. And, the interesting thing was that
18 demand did not come back. Even though, yes, we're kind
19 of moving along slowly, very limited growth in our
20 economy. But every indication is that people have
21 changed their habits of consumption. And, that was, in
22 part, because of, like, because gasoline prices that
23 summer were so high, and now they're still high. And,
24 we've changed our consumption overall for energy. So,

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1 with the collapse came a reduced economy, came changes
2 in people's habits of electricity and energy
3 consumption. And, around that same time, or within a
4 year of that, we saw the impact of revolutionary
5 technology on drilling. So, they happened kind of at
6 the same time.

7 Q. And, that drilling, that's the "fracking" that you
8 referenced?

9 A. That's correct.

10 Q. And, you seem to believe that that's going to supply a,
11 well, at least for the foreseeable future, a continuous
12 supply of cheap natural gas, is that correct?

13 A. That is correct. And, that's not just my opinion.
14 That is the -- the Energy Information Administration
15 sees that as well.

16 Q. It's fair to say that that industry has run into some
17 regulatory problems, at least very recently, isn't that
18 correct?

19 A. Yes. We have -- there has been a fair amount of
20 concern raised over fracked gas and the impacts of
21 drilling.

22 Q. Well, you're aware that New York State went back to the
23 drawing board on the drafting of their rules and
24 regulations for fracking?

[WITNESS: Linowes]

1 A. Yes, I am aware of that.

2 Q. And, that's brought, essentially, fracking to a
3 standstill in New York State?

4 A. Yes. But there are a lot of states that are --

5 Q. You're also aware of the EPA's, well, actually, several
6 different public health and safety tests that they have
7 commissioned throughout the Marcellus Shale?

8 A. I'm aware that the EPA has been engaged on this. But
9 there has been nothing to show that that market -- I
10 mean, nothing to show that that market is going to slow
11 down.

12 Q. It's fair to say there's also groups very much like
13 yours that have arisen in opposition to this fracking
14 for natural gas?

15 MR. ROTH: Excuse me, madam Chairman.
16 I'm loath to interrupt questioning from the panel. But we
17 now have Committee counsel producing testimony and
18 evidence that has not been on the record in this
19 proceeding, and to cross-examine and I suppose impeach Ms.
20 Linowes or introduce new facts. I just -- I think we
21 should be very careful about sort of the introduction of
22 facts that were not brought into the record by the
23 parties.

24 MR. IACOPINO: I questioned her, and she

[WITNESS: Linowes]

1 indicated that she was aware of those things. And, my
2 next question will be, "whether or not that played any
3 role in her prediction that the natural gas will continue
4 to be cheap?"

5 CHAIRMAN IGNATIUS: Well, let me --

6 MR. IACOPINO: That's what she testified
7 to.

8 CHAIRMAN IGNATIUS: Let me suggest that,
9 rather than whether any of the representations about
10 regulatory changes in other states is true or not or
11 whether will remain going into the future, Mr. Iacopino,
12 is it fair that your question has more to do with, if
13 there are regulatory changes, that that could change the
14 market for natural gas?

15 MR. IACOPINO: Yes. And, that's why I
16 wanted to ask her, if that played any role in her
17 statement that she made earlier, about natural gas being
18 inexpensive for the foreseeable future?

19 WITNESS LINOWES: May I answer that?

20 CHAIRMAN IGNATIUS: Yes.

21 **BY THE WITNESS:**

22 A. There's no question that people are raising concerns.

23 And, however, the desire in this country to wean itself
24 from oil, foreign oil, is tremendous. And, the desire

[WITNESS: Linowes]

1 to see our focus back on domestic generation, domestic
2 sources of fuel, is very powerful. And, to the extent
3 that there's a problem with fracking or any of the new
4 technologies, I have -- I am very certain that any
5 complications or concerns around it are resolvable.
6 It's not like we're dealing with towers built on
7 ridgelines and very noticeable. This is a very
8 different kind of fuel source. And, if there are
9 problems with water and other kinds of contamination
10 associated with it, I think that there were some bad
11 players in the beginning, and I think a lot of that is
12 being resolved.

13 But, I mean, I don't want to be naive
14 and sound like, "okay, the market is not going to
15 appear anywhere near what we're forecasting." I think
16 it's going to do very well. And, it may not be New
17 York State that is the supplier, and it may not be New
18 England, if New England has any, probably not, but I
19 think other states are going to deliver.

20 MR. IACOPINO: Thank you. I have no
21 further questions. I suppose, I guess the question now is
22 whether you have any redirect testimony to offer, Ms.
23 Linowes?

24 WITNESS LINOWES: I don't think so.

[WITNESS: Linowes]

1 MR. IACOPINO: Thank you.

2 WITNESS LINOWES: Thank you.

3 CHAIRMAN IGNATIUS: Thank you. Then,
4 you are excused. We have next on our schedule
5 Mr. Beblowski. And, before we do that, why don't we take
6 a quick break. We'll get resettled. We'll go off the
7 record.

8 (Recess taken at 4:51 p.m. and the
9 hearing resumed at 5:01 p.m.)

10 CHAIRMAN IGNATIUS: All right. We're
11 back on the record. We took a short break. And, it's now
12 time for the next witness, Mr. Beblowski.

13 MR. BEBLOWSKI: Yes.

14 CHAIRMAN IGNATIUS: Thank you for
15 getting seated. And, will the court reporter please swear
16 him in.

17 (Whereupon *Peter L. Beblowski* was duly
18 sworn by the Court Reporter.)

19 **PETER L. BEBLOWSKI, SWORN**

20 **DIRECT EXAMINATION**

21 BY MR. IACOPINO:

22 Q. Good evening, Mr. Beblowski. Please state your name
23 and address for the record.

24 A. My name is Peter Beblowski. My address is 318 Smith

[WITNESS: Beblowski]

1 Road, Antrim, New Hampshire.

2 Q. And, do you hold a position with the Antrim
3 Conservation Commission?

4 A. Yes, I do. I am the Conservation Commission Chairman.

5 Q. And, in that capacity, did you file prefiled testimony
6 in this docket, which has been marked as "ACC-2", on
7 July 31, 2012?

8 A. Yes. Correct.

9 CHAIRMAN IGNATIUS: Before you go on,
10 does anyone have a phone near a microphone or a microphone
11 near a computer? Something's crossing over. Thank you.

12 BY MR. IACOPINO:

13 Q. I'm sorry, threw me off. Did you file any supplemental
14 testimony after July 31?

15 A. No, I did not.

16 Q. Okay. The testimony that you filed on July 31, which
17 has been marked as "ACC-2", is that testimony true and
18 correct to the best of your knowledge and belief?

19 A. Correct.

20 Q. And, if you were to be asked the questions that were
21 asked in that testimony today, would you give the same
22 answers as you gave on July 31, 2012?

23 A. Yes, I would.

24 Q. Are there any changes or corrections that you need to

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[WITNESS: Beblowski]

1 make to that testimony?

2 A. None at this time.

3 Q. After you filed your testimony, sir, some other parties
4 in the proceeding had filed additional testimonies. Do
5 you have any testimony that you wish to present to
6 rebut the testimony of any other parties?

7 A. Not at this time.

8 MR. IACOPINO: Okay. The witness is
9 available for cross-examination.

10 CHAIRMAN IGNATIUS: All right. Mr.
11 Roth.

12 MR. IACOPINO: And, please turn your
13 microphone on, if it's not. Sorry.

14 MR. ROTH: Thank you.

15 **CROSS-EXAMINATION**

16 BY MR. ROTH:

17 Q. Mr. Beblowski, I'm trying to understand what the
18 purpose of your testimony is. And, I see in your
19 testimony you say the goal of the Commission in this
20 case is "to provide information regarding the
21 Application as it concerns regional conservation."
22 Does the Commission take a position with respect to the
23 Project? Or, what is it that's motivating the
24 Commission to send you into the "belly of the beast"

[WITNESS: Beblowski]

1 here, so to speak, today?

2 A. Well, you know, it is the "belly of the beast". We
3 noticed, within the Application, the initial
4 Application, that there wasn't any reference to
5 regional conservation plans. And, the impact of the
6 Project, in this particular case, is going to impact
7 properties of high regional value. And, we just wanted
8 to make sure that, by coming forward and entering into
9 this proceeding, that we wanted to make sure that that
10 was going to be taken into account.

11 Q. Okay. So, the Commission doesn't take a position
12 whether it's for or against it?

13 A. No, it does not.

14 Q. Okay. In your testimony, you, and I think there are at
15 least one or two others in this proceeding who have
16 testified to being a "Coverts Cooperator". What is a
17 "Coverts Cooperator"?

18 A. A "Coverts Cooperator" is a volunteer who volunteers
19 for the benefit of wildlife natural resources, and has
20 taken a training course run through the New Hampshire
21 Extension Service, with the -- under the auspices of
22 several other agencies in this state. Fish & Game is
23 another one of them.

24 Q. And, what do you do with that experience, with that

[WITNESS: Beblowski]

1 training, and what is your -- as a volunteer, what do
2 you do?

3 A. It gives you a larger breadth of experience in which
4 you can network with people in other organizations, the
5 Forest Society, the regional land trusts, *etcetera*.
6 I've trainings for Boy Scouts, Girl Scouts, on forest
7 habitat, furbearers in the area, what have you.
8 Actually, the kids really like the scat presentation.
9 Girls -- girls will not touch rubber scat; boys love
10 it.

11 Q. Not even the rubber?

12 A. Not even the rubber, yes. Correct.

13 Q. Okay. I'm going to ask you to look at AWE 17. I hope
14 you have it there in that book. It's the Antrim Open
15 Space Protection Priorities Plan.

16 A. Correct. Yes.

17 Q. Are you familiar with this map?

18 A. Yes, I am.

19 Q. Okay. Did the Conservation Commission commission the
20 creation of this map or did you create it or --

21 A. The Open Space Committee was a committee that was
22 commissioned by the selectmen in, I believe, 2004.
23 And, there were two members of the Conservation
24 Commission on that committee.

[WITNESS: Beblowski]

1 Q. Were you one of them?

2 A. I was not.

3 Q. Okay. Do you know, from your own experience and time
4 on the Conservation Commission, what the values are of
5 the community that go into designation of this yellow
6 -- these yellow areas as "priority areas for land
7 conservation"?

8 A. The priority areas within in the -- within the Open
9 Space Conservation Plan were based on a number of
10 criteria. One was the natural resources in the area,
11 the habitat that was there, unfragmented blocks, and
12 areas that were prioritized through several public
13 meetings and questionnaires, in which the town --
14 townspeople said what areas they wanted to see
15 protected.

16 Q. In your testimony, you say that "the Antrim
17 Conservation Commission has worked to meet the town's
18 Master Plan and Open Space goals...in the Willard
19 Pond/West Antrim area." What specifically have you
20 done or has the ACC done in developing that or doing
21 that work? You have "worked" is sort of a -- kind of a
22 vague concept. What does that mean? What have you
23 accomplished?

24 A. What we've accomplished is, every year we put a capital

[WITNESS: Beblowski]

1 improvement request into the Town to -- so that the
2 Town can have a reserve fund for open space, either
3 acquisition or for conservation easements. To this
4 date, because of the downturn in the economy, the Town
5 has been short on funds. And, that particular fund has
6 \$50,000 in it at this time. We have worked with a
7 number of organizations, New Hampshire Audubon, and
8 we've helped, either through volunteer work or through
9 use of the Current Use Tax Fund, the Conservation Fund,
10 we've utilized it to help with the easements for
11 Audubon in that particular area.

12 Q. Okay. I don't know if you have it in front of you, but
13 calling your attention to Audubon Society Exhibit
14 Number 3?

15 A. I do not.

16 (Atty. Roth handing document to Witness
17 Beblowski.)

18 BY MR. ROTH:

19 Q. I'm going to give you my snazzy color copy.

20 A. Okay.

21 MR. ROTH: And, I'll look at the black
22 and white one. And, I promise I will return it.

23 MS. LINOWES: I have an extra one.

24 MR. ROTH: Here we go.

[WITNESS: Beblowski]

1 BY MR. ROTH:

2 Q. Okay. Mr. Beblowski, --

3 MR. ROTH: Is everybody ready?

4 WITNESS BEBLOWSKI: Sure.

5 BY MR. ROTH:

6 Q. This is a map that -- well, maybe you can tell us what
7 you think this map is. We've had a lot of -- a fair
8 amount of discussion about this in the last few days.
9 Do you recognize this map?

10 A. I have not seen this map before this time. But I can
11 tell you what this map represents. This map represents
12 the conservation lands that are generally around
13 Willard Pond and the properties within the Project
14 area, as well as the properties that are leased to AWE.

15 Q. Okay. Let's start with the conserved lands, the sort
16 of pale green lima bean color is "New Hampshire Audubon
17 Conservation Easement", correct?

18 A. I do not --

19 Q. According to the legend there.

20 CHAIRMAN IGNATIUS: Mr. Roth, my copy
21 electronically is just gray. So, anything other than
22 "lima bean" --

23 MR. ROTH: Lima gray.

24 BY MR. ROTH:

[WITNESS: Beblowski]

1 Q. For example, if you see where on the -- there's a black
2 line that runs sort of from top to bottom of the page,
3 more or less on the left margin.

4 A. Yes.

5 Q. Correct? Is that the Town boundary?

6 A. That is the town boundary with Stoddard, yes.

7 Q. Okay. And, there's a big L-shaped piece there, with
8 "Robb Mountain" in the foot of the L, correct?

9 A. Correct.

10 Q. And, that's been identified as "New Hampshire Audubon
11 Conservation Easement". And, do you see other
12 similarly colored or tinted parcels?

13 A. Yes, I do.

14 Q. Okay. Now, those are all identified as "Audubon
15 Conservation Easements", correct?

16 A. Correct.

17 Q. And, do you know, did the Conservation Commission
18 participate in making any of those things possible?

19 A. Yes. Yes, we did.

20 Q. Okay. And, which ones?

21 A. Actually, the one that's directly east of Willard Pond
22 is known as the "George property".

23 Q. And, that's the one right above the words "Goodhue
24 Hill"?

[WITNESS: Beblowski]

1 A. Correct.

2 Q. Okay. So, that's the only one?

3 A. Yes, in this representation.

4 Q. Okay. And, I don't know if this is visible on the
5 black and white, but you can around in various places
6 there's stuff that looks a little bit like green
7 corduroy, right?

8 A. Yes.

9 Q. And, in particular, just for those of you looking at
10 the black and white image, the word "Willard", in
11 "Willard Mountain", is written right on top of one of
12 those?

13 A. Correct.

14 Q. Okay. And, those are described as "Other Conservation
15 Land"?

16 A. Correct.

17 Q. And, do you know if the Antrim Conservation Commission
18 participated in the preservation of any of that, those
19 areas?

20 A. I believe that Antrim Conservation Commission, the one
21 that's directly due east of the word "Antrim" is known
22 as the "Meadow Marsh". And, that is a property that is
23 controlled by the Antrim -- by the Town of Antrim in
24 the Antrim Conservation Commission.

[WITNESS: Beblowski]

1 Q. Okay. Now, the Project area is outlined in red and it
2 has the spots for the turbine locations on it, correct?

3 A. Correct.

4 Q. Now, before the Project came along, was there an effort
5 by the Conservation Commission and others to preserve
6 any of that land?

7 A. Yes. There was.

8 Q. And, what happened to that effort?

9 A. It got into the final stages, and it did not -- it did
10 not come to fruition.

11 Q. Well, obviously, but why?

12 A. I would assume, and this is supposition, it's because
13 of this particular project.

14 Q. Okay.

15 A. If I also might add, the large property in which "Robb
16 Mountain" is shown?

17 Q. Yes.

18 A. That may be a mistake on this, on this map. I believe
19 that may be the "Robb Reservoir" -- no, actually,
20 excuse me. I'm incorrect.

21 Q. Okay. Well, that brings my attention back here. You
22 see the part of the map which has "Willard Pond", and
23 there's a big block surrounding Willard Pond, all of a
24 uniform color. And, for those of you with color, it's

[WITNESS: Beblowski]

1 a darker green, correct?

2 A. Correct.

3 Q. And, that's the dePierrefeu Willard Pond Sanctuary.

4 Has the Conservation Commission helped Audubon in
5 setting -- in acquiring any of those parcels of land
6 that constitute their Sanctuary?

7 A. Yes, we have.

8 Q. Okay. And, has the Audubon Conservation -- or, pardon
9 me. Has the Antrim Conservation Commission assisted
10 the Quabbin to Cardigan Initiative?

11 A. In helping either Audubon or the Nature Conservancy or
12 the Monadnock Conservancy or the Forest Society, they
13 are all members of the Q2C Initiative.

14 Q. So, the Conservation Commission help the local entities
15 who are part of the --

16 A. Yes.

17 Q. -- Q2C Initiative?

18 A. Yes. Quabbin to Cardigan.

19 Q. Okay.

20 A. I think it's easy for "Q2C".

21 Q. You know, at this time of day, I'm not sure.

22 A. Okay. I'm sorry.

23 Q. With respect to -- I'm sorry I'm jumping around here.

24 A. Sure.

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[WITNESS: Beblowski]

1 Q. And, I think this is my last question. But I had asked
2 you a moment ago about whether there had been an effort
3 to protect the areas that are now the Project areas.
4 Was that with respect to the entire Project area or was
5 it some subset of that?

6 A. I don't -- I don't understand the question.

7 Q. Well, you see there are a number of particles that make
8 up the Project area?

9 A. Sure.

10 Q. And, some of them are hatched with, you know, or shown
11 in diagonal lines across it and some of them are just
12 open. And, you see the turbine locations spread out
13 across them?

14 A. Yes.

15 Q. And, there are, you know, maybe a half a dozen or more
16 parcels of land that make up that whole unit. And, I
17 had asked you about whether there had been something in
18 the works to preserve the land that's within the
19 Project area before the Project came along, and I
20 believe you said "yes".

21 A. That's correct.

22 Q. And, now, what I'm trying to do is to establish whether
23 those efforts pertain to the entire of the Project area
24 or just certain parcels? And, if --

[WITNESS: Beblowski]

1 A. No. Okay. The one parcel that it actually pertained
2 to was the one that looks like a giant L on the
3 southern portion of that outlined area.

4 Q. The one that says "Willard Mountain" and has what might
5 be Turbines Number 9 and 10 in it?

6 A. Correct.

7 MR. ROTH: Okay. Thank you. That's all
8 the questions that I have.

9 CHAIRMAN IGNATIUS: Thank you. Mr.
10 Froling?

11 MR. FROLING: No questions.

12 CHAIRMAN IGNATIUS: Mr. Simmons?

13 MR. SIMMONS: I have no questions.

14 CHAIRMAN IGNATIUS: Ms. Sullivan?

15 (No verbal response)

16 CHAIRMAN IGNATIUS: Ms. Duley?

17 MS. DULEY: No questions.

18 CHAIRMAN IGNATIUS: Mr. Stearns?

19 MR. STEARNS: Just one quick -- just one
20 quick one.

21 BY MR. STEARNS:

22 Q. Peter, you said you were negotiating for, what, an
23 easement on that, that piece?

24 A. We were not negotiating an easement. We were asked by

[WITNESS: Beblowski]

1 the Harris Center to participate in the Project. And,
2 we moved the projects forward to having several votes
3 on the Conservation Commission to utilize monies from
4 the Current Use Fund. And, we even took it to a public
5 meeting, which was held, I believe, in September of
6 2009. And, we moved the projects forward, but the
7 project itself did not get finalized with signatures on
8 the easement deed by the landowner.

9 MR. STEARNS: Thank you.

10 CHAIRMAN IGNATIUS: Ms. Pinello?

11 (No verbal response)

12 CHAIRMAN IGNATIUS: Ms. Von Mertens?

13 MS. VON MERTENS: No questions.

14 CHAIRMAN IGNATIUS: Ms. Allen?

15 MS. ALLEN: Yes. I have few.

16 BY MS. ALLEN:

17 Q. I notice on your background statement that you're a
18 licensed geologist and have worked at the New Hampshire
19 Department of Transportation. And, that you've also
20 completed the UNH Cooperative Extension Coverts
21 Program, training on wildlife and land stewardship. Is
22 that correct?

23 A. Yes, it is.

24 Q. With that background, do you have concerns about

[WITNESS: Beblowski]

1 invasive plant species being introduced to the Antrim
2 Wind Energy project site, through road building and
3 other soil disturbance?

4 MS. GOLDWASSER: I'm going to object.
5 This gentleman is speaking on behalf the Conservation
6 Commission, and his testimony is rather narrow. I don't
7 think he references "invasive species" or these sorts of
8 concerns. Which he may have on a personal basis, but it
9 hasn't been explored via the Conservation Commission's
10 position.

11 MS. ALLEN: If I could go -- if I could
12 defend the question. The Antrim Conservation Commission
13 has taken an active interest in this. Whether it's in the
14 milfoil eradication, you know, from lakes or
15 lake-monitoring or anything else. This is sort of -- this
16 is our land steward body.

17 CHAIRMAN IGNATIUS: I think it's fair if
18 you ask if the Conservation Commission has a policy on
19 invasive species, and if there's any -- well, let's start
20 with that.

21 BY MS. ALLEN:

22 Q. Well, does the Antrim Conservation Commission have any
23 policy or projects they have been doing with invasive
24 species?

[WITNESS: Beblowski]

1 A. We do not have a formal policy that is written, written
2 down. But we do have a great concern. And, I have
3 been trained, I've been to trainings by New Hampshire
4 DES on lake monitoring. And, we do provide some monies
5 to the Lake Monitoring Program at Lake Franklin Pierce.

6 Q. I hope this is an okay question. Would you be willing
7 to approach, or the Antrim Conservation Commission, to
8 see if they would go forward and work with the
9 Applicant on -- and the Department of Agriculture to
10 establish a monitoring program for early detection of
11 invasive species at the Project site?

12 A. Yes, I would be willing to bring that forward to the
13 Commission, and to work with the Applicant, if the
14 permit was moved forward.

15 Q. And, just one last question. Do you have -- are you
16 aware of any invasive species on the Project site now?

17 A. I am not aware of any invasive species on the site
18 presently.

19 MS. ALLEN: Thank you. No questions --
20 no further questions.

21 CHAIRMAN IGNATIUS: Thank you.

22 Ms. Block.

23 MS. BLOCK: Good afternoon, Peter.

24 BY MS. BLOCK:

[WITNESS: Beblowski]

1 Q. If we could go back to this ASNH Number 3 Exhibit, with
2 the one that Peter Roth --

3 A. Sure. Yes.

4 Q. Okay. Thank you. On that map of the different
5 parcels, can you just point out, there's been a lot of
6 reference to this "Micheli property". Can you tell me
7 which piece is the Micheli property?

8 A. The "Micheli property", I believe is the furthest west
9 one that's outside of the defined project -- leased
10 Project area.

11 CHAIRMAN IGNATIUS: Well, before you go
12 on, let's get a little better definition of that.

13 WITNESS BEBLOWSKI: It would be the
14 furthest west property that has a crosshatch on it. Right
15 here [indicating].

16 CHAIRMAN IGNATIUS: All right. So, it
17 has the red crosshatching just to the west of the turbine
18 locations, before you get to the lima green L?

19 WITNESS BEBLOWSKI: Yes. It would be
20 the property -- yes, that's directly north of the word
21 "Willard Mountain".

22 CHAIRMAN IGNATIUS: And, does anyone
23 know how to spell "Micheli"?

24 MS. BLOCK: I think it's M-i-c-h-e-l-i.

[WITNESS: Beblowski]

1 MR. PATNAUDE: It is.

2 CHAIRMAN IGNATIUS: All right. The
3 reporter confirms it. He's checked it out. Thank you.

4 BY MR. BLOCK:

5 Q. Do you know the acreage on that specific parcel?

6 A. I believe it is around 295 acres, if my memory is
7 correct.

8 Q. Okay. So, approximately 300. Is that property -- had
9 that owner ever been approach by the Conservation
10 Commission?

11 A. The Conservation Commission has not approached that
12 particular landowner.

13 Q. Okay. Do you have any feeling if that would have
14 possibly been a piece of property that could have been
15 approached?

16 A. Every landowner could be approached. I don't know how
17 to answer that, that question. I'm sorry.

18 Q. Okay. That's fine. On your -- this is, I believe,
19 this map is "Unfragmented Lands" map?

20 A. Correct. Yes.

21 Q. Is your Appendix?

22 A. Yes. That's from the Open Space Conservation Plan.

23 Q. Correct. And, could you --

24 MS. GOLDWASSER: I'm sorry. I'm just

[WITNESS: Beblowski]

1 not 100 percent sure which map you're referencing.

2 MS. BLOCK: It's in his testimony. It's
3 the last -- I think it's the last map in his testimony.

4 MS. GOLDWASSER: Is it then the last map
5 in the Antrim Open Space Committee Final Report, it
6 indicates "Page 33" on the bottom, is that correct? I
7 just want to make sure I'm on the right page.

8 WITNESS BEBLOWSKI: I believe it's Page
9 33.

10 MS. GOLDWASSER: Okay. Thank you.

11 MS. BLOCK: Yes. Okay. Thank you.

12 BY MS. BLOCK:

13 Q. There are, and I think my copy is a bit clearer, so
14 you're welcome to look at this, if you need to.

15 A. Mine is black and white.

16 Q. Okay. Okay. No, my curiosity is about the acreage
17 that's listed on the "unfragmented lands", there's such
18 a range there, on the key, on the right?

19 A. Yes. Yes. Okay. Sure. And, your question is?

20 Q. My question is, can you describe what those figures
21 mean exactly and have you -- are you aware of the total
22 amount of acreage at all?

23 A. I believe the generation of this, this plan, came from
24 some raw data that came from Fish & Game in the early

[WITNESS: Beblowski]

1 stages of the production of the Wildlife Action Plan.

2 Q. Okay. But the --

3 A. And, I believe it may be referenced in the Open Space
4 Conservation Report, as to where the -- it was from an
5 NRI that was gotten.

6 Q. Okay. Is that total plan in your supplement there?

7 A. I believe it is.

8 Q. Okay. Because I can find that information.

9 A. I believe it was an Appendix.

10 Q. Yes, and I just didn't find any information about this,
11 the acreage that's listed there. So, that's my only
12 question.

13 A. I'm not familiar with how --

14 Q. Okay.

15 A. -- the acreage was determined in the -- in the index of
16 that figure.

17 MS. BLOCK: Okay. All right. Thank
18 you, Peter.

19 CHAIRMAN IGNATIUS: Does that conclude
20 your questions?

21 MS. BLOCK: Yes.

22 CHAIRMAN IGNATIUS: All right. Dr.
23 Kimball?

24 (No verbal response)

[WITNESS: Beblowski]

1 CHAIRMAN IGNATIUS: Ms. Linowes?

2 MS. LINOWES: Thank you, madam Chair. I
3 just have a few questions for you.

4 BY MS. LINOWES:

5 Q. Will the Antrim Conservation Commission or the Town of
6 Antrim be a signer on the easement for the conservation
7 lands?

8 A. We were not signers on the conservation lands.

9 Q. Were you ever asked to be a signer or a part of that
10 easement?

11 A. That I don't remember. We -- the Antrim Conservation
12 Commission monitors and maintains a number of
13 properties in town. And, the -- much of the time, when
14 a land trust takes an easement on the property, we do
15 not always take a secondary responsibility on the
16 easement. We have enough -- we have enough volunteers'
17 hours into the properties that we do try to maintain
18 trails on.

19 Q. And, that's actually getting to my area of interest.
20 Even though you're not a signer on the easement or the
21 easements, is there any opportunity in your mind to be
22 a part of laying out trails on the properties or in any
23 way improving the properties so that they are more
24 viable for recreation? Or, are you completely out of

[WITNESS: Beblowski]

1 the picture, from your perspective?

2 A. I don't know. I don't -- could you repeat that
3 question please.

4 Q. Yes. And, I guess I'll add more information.

5 A. Thank you.

6 Q. In general, when you are overseeing a property that's a
7 conservation easement, you do have some authority or
8 some oversight in trail creation, maintenance, and
9 other kinds of activities that will make the property
10 more conducive for recreational activity. And, if you
11 look at the map, the New Hampshire Audubon map that's
12 Number 3, it shows that there are trails on the
13 property surrounding Willard Pond, but none shown on
14 the other properties that are destined to be conserved.
15 Is that -- will you have any opportunity or is there a
16 desire on the part of the Conservation Commission to be
17 involved in at least making decisions on improving that
18 property so it is accessible conservation land?

19 A. Maybe I can answer that question by saying, the Antrim
20 Conservation Commission is an active member within the
21 conservation community. And, we partner with, in
22 particular, New Hampshire Audubon, with hikes at the
23 Willard Pond Sanctuary, as well as paddles, you know,
24 we do kayaking actively out there.

[WITNESS: Beblowski]

1 At the moment, we are actively moving
2 forward with an additional trail to the Goodhue Hill
3 trail. And, we're trying to get a signature from a
4 private property owner to allow a segment of trail to
5 go across their property. I hope this answers your
6 question.

7 Q. It's getting there. So, nothing specific related to
8 the conservation lands. But, at the time when you
9 stated that some of those properties were considered
10 properties that you would like to have seen the Town
11 assume ownership over, or at least conservation
12 easements over, did you have plans for those lands that
13 you feel now are not --

14 A. No. None of the lands that are shaded in green, other
15 than the one parcel, which is east of the word
16 "Antrim", does the Antrim Conservation Commission own
17 or own an easement on.

18 Q. Right. If I could interrupt you, I'm sorry?

19 A. Sure.

20 Q. I'm speaking about the lands shaded in red that are
21 destined to be conservation lands as part of this
22 project?

23 A. We have not been asked to help with trails on those
24 properties.

[WITNESS: Beblowski]

1 Q. Okay. And, then, one last question. If this Project
2 is approved, has the Conservation Commission
3 contemplated what its future plans are around
4 conservation and bringing properties under
5 conservation? Or, do you think -- or, will this change
6 the value of that role -- or, that goal, rather, in
7 this area? The development of the Project, will that
8 change the goal?

9 A. I think that's a supposition that I'm not really
10 comfortable in saying one way or another on.

11 MS. LINOWES: Okay. I'm all set, madam
12 Chair.

13 CHAIRMAN IGNATIUS: All right. Thank
14 you. The Applicant, is it Ms. Goldwasser doing
15 questioning?

16 MS. GOLDWASSER: Yes. Thank you.

17 CHAIRMAN IGNATIUS: Please proceed.

18 MS. GOLDWASSER: Good afternoon,
19 Mr. Beblowski. Thank you for being here this evening. My
20 name is Rachel Goldwasser. I'm here on behalf of the
21 Applicant.

22 BY MS. GOLDWASSER:

23 Q. I'm going to start with some questions that you
24 received from the other parties, and point out an

[WITNESS: Beblowski]

1 exhibit that's sitting behind you right now.

2 A. This one or --

3 Q. Exactly. That one. So, we're looking at -- I'm trying
4 to make it so everyone can see it. Okay. We're
5 looking at Exhibit AWE 40. And, you were just a moment
6 ago referencing the Micheli parcel, which is part of
7 Antrim Wind Energy's conservation plan, is that right?

8 A. I believe so, yes.

9 Q. Can you locate the Micheli parcel on that map?

10 A. I believe it's that one there [indicating].

11 Q. And, does it extend sort of to the north? I thought it
12 kind of looked like the Old Man in the Mountain up
13 there.

14 A. Oh my. All right.

15 Q. It extends to the north of that little jagged edge on
16 the west, is that correct?

17 A. Sure. You know, I can see the property. I'm not sure
18 I'm focusing on the jagged edge.

19 Q. Okay. Is part of that property in the highest ranked
20 habitat for the State of New Hampshire?

21 A. Yes, it is.

22 Q. Okay. Thank you. And, is any of the property that you
23 referenced being under consideration for conservation
24 by the Conservation Commission prior to this Project,

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1 is any of that being conserved with the conservation
2 plan as it currently stands?

3 A. Could you repeat that question.

4 Q. You talked about a parcel which the Conservation
5 Commission sought conservation for, and that that -- it
6 didn't work out.

7 A. Yes.

8 Q. Is that parcel conserved on the map that you looked at
9 or on NH -- ASNH Exhibit 3?

10 A. It is not.

11 Q. Okay. Thank you.

12 A. And, it is not proposed to either.

13 Q. Okay.

14 A. At this time.

15 Q. Page 4 of your testimony states that the Willard
16 Pond/Tuttle Mountain are priority areas for
17 conservation in the Antrim Open Space Plan. And, you
18 go on to indicate that Willard Pond and Tuttle Mountain
19 are incorporated into this area called, I'm going to
20 quote you, "West Antrim", is that correct?

21 A. That is correct.

22 Q. And, you go on to say that West Antrim is one of
23 several priority areas in the Open Space Plan, is that
24 correct?

[WITNESS: Beblowski]

1 A. That is correct.

2 Q. I want to take us back to what we've already looked at
3 once this evening, which is Exhibit AWE 17, which has
4 that yellow --

5 A. Yes.

6 Q. -- yellow shading on it.

7 A. Yes.

8 Q. Do you have a copy of that in front of you?

9 A. I have a --

10 MR. ROTH: It's in the binder, Mr.

11 Beblowski.

12 WITNESS BEBLOWSKI: I have a --

13 BY MS. GOLDWASSER:

14 Q. Okay. If you look -- if you look in that binder, --

15 A. Yes. Sure. Yes.

16 Q. -- under Exhibit 17, it should be there in color for
17 you.

18 A. Sure. Fine. Yes, right there.

19 Q. Thanks. Can you identify for the Committee what you
20 mean by "West Antrim"?

21 A. I certainly can. I believe the Open Space Committee
22 identified the western third of the town as "West
23 Antrim".

24 Q. And, when you say "western third", do you mean the sort

[WITNESS: Beblowski]

1 of wavy area to the west of Antrim?

2 A. I believe it would be -- it was a large area that was
3 just blocked off, from I guess it would be brimstone
4 corner road the yellow area west of Brimstone Corner
5 Road, Craig Road, Reed Carr Road, up to Route 9. I
6 believe that would be considered "West Antrim".

7 Q. And, actually, the priority areas include sections of
8 Route 9, is that correct?

9 A. I don't believe the plan designated any of the areas
10 there.

11 Q. Okay.

12 A. So, they didn't -- they didn't separate Route 9 out. I
13 just simply think it's a matter of scale on the -- on
14 the plan.

15 Q. Okay. And, actually, if you look at AWE 16, which is
16 the one right before that one.

17 A. Sure.

18 Q. You indicated in data responses that West Antrim is
19 about 11,000 acres, is that correct?

20 A. Yes.

21 Q. And, Antrim itself is a little more than 23,000 acres,
22 is that correct?

23 A. That is correct.

24 Q. So, the area of West Antrim that you're referencing is

[WITNESS: Beblowski]

1 actually about half of the town?

2 A. I believe it was just, you know, I was looking at it,
3 and just pulled a number out of the air. I really
4 didn't want to be actually questioned as to how much
5 was there or how much wasn't there.

6 Q. Okay.

7 A. But, you are correct, 11,000 is about half of 23,000.

8 Q. Okay. And, all of the parcels in that conservation
9 plan for the Project are in the yellow area, is that
10 correct?

11 A. Excuse me?

12 Q. All of the parcels that are in the Applicant's
13 conservation plan --

14 A. Correct.

15 Q. -- are in the yellow area?

16 A. Yes. Yes. I would say that maybe that that number,
17 that is 11,000 of the 23,000 acres in the Town, may
18 have come from a planning note that I had in my files
19 that said the Rural Conservation District was about
20 11,000 acres.

21 Q. Okay.

22 A. Which is about half the town.

23 Q. Okay. All right. Thank you for that extra
24 information. And, this map comes from the Open Space

[WITNESS: Beblowski]

1 Plan. The Open Space Plan also indicates that land
2 conservation can only happen when there's a willing
3 seller and a willing buyer, isn't that correct?

4 A. That is correct.

5 Q. And, your testimony --

6 A. That is -- that is the New Hampshire way.

7 Q. Your testimony also indicates that the Conservation
8 Commission has been taking steps to conserve property
9 in West Antrim, on Page 4. If you turn to the second
10 page of AWE 16, there's another data response that you
11 provided.

12 A. Sure.

13 Q. And, correct me if I'm wrong, this is a list of
14 projects that the Conservation Commission has been
15 working on, is that right?

16 A. Yes.

17 Q. And, if you tally up the acreage that would be included
18 that the Conservation Commission has conserved over the
19 last, from 2012 -- excuse me, from 2005 to present,
20 what would you come to?

21 MR. ROTH: Objection. That's not what
22 the exhibit says. I think it says "2007", not "2005" was
23 the question.

24 MS. GOLDWASSER: Well, but he answered

[WITNESS: Beblowski]

1 including 2005, so I went back that far. But we can -- I
2 can let him respond to whether he included 2005 and 2006
3 in his chart.

4 CHAIRMAN IGNATIUS: Can I ask, I'm not
5 even on the same -- I thought you were talking about
6 Exhibit 16, and that doesn't --

7 MR. ROTH: It's the back of the --

8 CHAIRMAN IGNATIUS: My bad.

9 MS. GOLDWASSER: You go to the second
10 page.

11 CHAIRMAN IGNATIUS: Thank you. There's
12 a big white space. Okay. Finally got it.

13 MS. GOLDWASSER: It probably got scanned
14 improperly. I apologize for that.

15 CHAIRMAN IGNATIUS: No. No. It's this
16 scanner that was improper. So, I'm sorry, what's the
17 question?

18 MS. GOLDWASSER: I mean, the question, I
19 asked Mr. Beblowski to tally up the parcels that the --
20 the number of acres that the Conservation Commission has
21 been able to help conserve with the Conservation Fund
22 since 2005. And, Mr. Roth objected, because the question
23 asks from "2007 to present". And, I merely asked from
24 2005, because that was the information that Mr. Beblowski

[WITNESS: Beblowski]

1 provided us with.

2 CHAIRMAN IGNATIUS: Why don't you break
3 it into two. 2007, and, then, if you want to inquire
4 about prior to 2007.

5 MR. ROTH: Yes. I just wanted to make
6 sure that it was clear that the exhibit talks about both.

7 BY MS. GOLDWASSER:

8 Q. So, I'll ask you about 2007 --

9 A. Okay.

10 Q. -- to present first.

11 A. And, you're referring to projects that have been
12 completed or projects that we have participated in and
13 maybe not completed?

14 Q. Projects that have been conserved and completed.

15 A. Okay. The projects that have been completed have been
16 just shy of 200 acres. As you can see in the bolded
17 areas, in 2008 and 2009, there was 140 plus 45, comes
18 out to be 185 acres. Prior to that, the Commission and
19 the Town moved forward with the Campbell Pond Easement
20 of 300 plus or minus acres.

21 Q. So, if you include all of that, you come to about 485
22 acres, is that right?

23 A. Your math is correct.

24 Q. Had a longer time to be able to work it out.

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1 A. Okay. Thank you for doing that.

2 Q. And, the conservation parcel for this Project, the
3 conservation plan for this Project conserves 685 acres,
4 is that correct?

5 A. I haven't seen actually a conservation plan for this
6 Project. I know it's referred to, and I believe there
7 are easements that have been supplied. But I don't
8 believe that there is a formal conservation plan that
9 I've seen.

10 Q. Okay. Well, let me change my terminology.

11 A. If you can direct me to the exhibit that that's in or
12 the Application or the supplemental that that's in, I'd
13 greatly appreciate it, and would be glad to take a look
14 at it.

15 Q. So, let me rephrase my question. That the parcels that
16 are proposed to be put under a conservation easement
17 are -- add up to about 685 acres, is that correct?

18 A. That is correct.

19 Q. Okay.

20 A. And, I believe, excluding the Micheli property, it
21 would be less 295 acres.

22 Q. Okay.

23 A. So, the 390 acres of the Project area itself.

24 Q. Okay. And, the 685 is substantially more than the 485

[WITNESS: Beblowski]

1 that the Conservation Commission has preserved in the
2 last seven years?

3 A. I'm -- you know, yes.

4 Q. Now, if the properties subject to this Project,
5 including the conservation parcels, were not -- excuse
6 me, let me rephrase this. If the properties that are
7 subject to conservation easements under the proposal
8 that's currently before the Committee were not subject
9 to conservation protections, could they be developed if
10 the Project doesn't go forward?

11 MR. ROTH: Objection.

12 CHAIRMAN IGNATIUS: On what basis?

13 MR. ROTH: The use of "developed" is
14 ambiguous. And, it's not clear that Mr. Beblowski has
15 knowledge about what it takes to develop, whether that's
16 an engineering problem or whether it's a town/planning
17 board problem or whether it's a financial and business
18 problem.

19 CHAIRMAN IGNATIUS: Ms. Goldwasser, do
20 you want to rephrase the question?

21 BY MS. GOLDWASSER:

22 Q. If it weren't for the conservation parcels that are
23 part of this Project, could a developer or a owner come
24 in and put residences or some other use on these

[WITNESS: Beblowski]

1 properties that would develop them, rather than
2 maintaining them as conservation?

3 A. I believe it would depend on what the town zoning
4 allows.

5 Q. Okay. And, you're not -- you're not going to testify
6 about town zoning, is that right?

7 A. I don't -- I don't feel that that's my role here.

8 Q. If somebody brought forward a proposal to develop,
9 build a residence, for example, on one of these
10 parcels, could the Conservation Commission have any
11 binding authority to be able to stop that development?

12 A. I don't believe the Conservation Commission has taken
13 binding authority in that instance. We have always
14 worked together with the developers and the Planning
15 Board to better develop the town.

16 Q. Now, finally, in your testimony you reference the
17 "Quabbin to Cardigan Initiative", and I think you did
18 the same in your questions from Mr. Roth. I want to
19 ask you to turn to ACC-5. And, I'm going to call it
20 the "QTC", because I don't think I can say "Quabbin to
21 Cardigan" more than once without messing it up. Do you
22 know how many acres are involved in the QTC?

23 A. It's a substantial amount of acreage. It goes from the
24 Quabbin Reservoir to the White Mountains.

[WITNESS: Beblowski]

1 Q. Do you have a copy of ACC-5 in front of you? Because I
2 can provide you with one, if you need me to.

3 A. I have it. Just give me a moment please.

4 Q. Okay.

5 A. Yes. I have it in front of me.

6 Q. So, if you turn to Page 2 of that document?

7 A. Sure.

8 Q. And, that first big paragraph. A couple lines down
9 from where it's underlined, it says "Completed in 2007,
10 the QTC plan has identified approximately 600,000 acres
11 of core conservation focus areas that represent the
12 region's most ecologically-significant forests. These
13 conservation focus areas represent about 30 percent of
14 the 2 million-acre region, and are currently 39 percent
15 protected." Did I read that correctly?

16 A. I believe you did.

17 Q. Okay. And, if you turn to the first page of ACC-5, and
18 I think you referenced this a little bit a second ago,
19 can you just show the Committee or tell the Committee
20 about what the "QTC region" is? It's in the map on the
21 upper left-hand corner of that page.

22 A. I believe the region is illustrated as a light green
23 area, between the southern White Mountains and the
24 Quabbin Reservoir. It's an interstate area.

[WITNESS: Beblowski]

1 Q. And, you'd agree with me that it encapsulates a
2 relatively large portion of the State of New Hampshire?

3 A. I'd say yes.

4 Q. Have you had any communications with the QTC regarding
5 this Project?

6 A. I believe, if you turn to Exhibit Number 4, you will
7 see a series of e-mails I had with Mr. Chris Wells,
8 who's the Coordinator for the Q2C.

9 Q. Okay. And, now, let's turn to those e-mails. And, you
10 asked Mr. Wells whether the ridgeline was a priority
11 area for the QTC, is that correct? So, it's one of
12 those 600,000 acres?

13 A. I believe it's Thursday, September the 6th. And, if
14 you want me to read the two sentences, I can read the
15 two sentences.

16 Q. I think I just asked, you asked Mr. Wells if the
17 ridgeline from Willard Mountain to Tuttle Mountain was
18 a high priority for the QTC, right?

19 A. Yes, I did. And, he answered in the affirmative.

20 Q. Okay. Did you ask him whether any of the other
21 conservation parcels associated with this Project
22 because -- any of the other parcels associated with the
23 conservation plan are in the priority area for QTC?

24 MR. ROTH: Objection. I think Mr.

[WITNESS: Beblowski]

1 Beblowski has -- it is clear that he doesn't understand
2 what is meant by a "conservation plan" with respect to
3 this Project.

4 MS. GOLDWASSER: I can rephrase --

5 MR. ROTH: The question is ambiguous.

6 MS. GOLDWASSER: I can rephrase it.

7 CHAIRMAN IGNATIUS: Would you restate it
8 please.

9 MS. GOLDWASSER: And, actually, I'll
10 back up a second.

11 BY MS. GOLDWASSER:

12 Q. Some of the parcels that are slated for conservation
13 easements associated with this Project are within the
14 priority areas referenced by Mr. Wells, is that
15 correct?

16 A. Could you repeat that.

17 Q. So, if you look at the plan behind you, the -- I
18 believe the easements that are associated with this
19 Project are crosshatched. Does that appear to be
20 correct to you?

21 A. That appears to be correct.

22 Q. And, some of the parcels that are included as easements
23 as part of this Project are actually in the priority
24 areas identified by Mr. Wells, is that correct?

[WITNESS: Beblowski]

1 A. Two are in the priority area.

2 Q. Did you ask Mr. Wells if any of the other parcels
3 associated with the conservation for this Project are
4 in priority areas for the QTC?

5 A. I did not.

6 Q. Okay. Is QTC taking a position on this Project?

7 A. I do not believe Q2C takes positions on projects of
8 this. That's why they're an initiative. They're a
9 loose organization of land trusts and State agencies
10 and private groups that have come together and
11 prioritized high-value habitat.

12 MS. GOLDWASSER: Can I just have a
13 moment please?

14 CHAIRMAN IGNATIUS: Yes.

15 (Short pause.)

16 MS. GOLDWASSER: No further questions.

17 Thank you. Thank you, Mr. Beblowski.

18 CHAIRMAN IGNATIUS: All right.

19 Questions from Committee members? Ms. Bailey.

20 MS. BAILEY: Good evening, Mr.

21 Beblowski.

22 BY MS. BAILEY:

23 Q. Can you look at ASNH Exhibit 3? That's the mountain
24 with the lima bean --

[WITNESS: Beblowski]

1 A. Oh. Okay.

2 Q. -- it's the map with the lima bean green.

3 A. Okay. Got it. Yes.

4 Q. I think I understood you to say that the L-shaped piece
5 that is not crosshatched, that contains two of the
6 towers, was a piece that the Antrim Conservation
7 Commission was trying to get in a conservation
8 easement?

9 A. Yes. The Conservation Commission had partnered with
10 the Harris Center to get -- to move that forward.

11 Q. Okay. Is there anything that you know of, if the
12 Project gets approved, that would prevent you from
13 proceeding with that?

14 A. I do not.

15 Q. You don't think there's anything that would prevent it.
16 So, it could still happen, if the Project gets
17 approved?

18 A. I haven't had any communications with the property
19 owner since that time.

20 MS. BAILEY: Okay. All right. Thank
21 you.

22 CHAIRMAN IGNATIUS: Thank you. Other
23 Committee questions? Mr. Robinson.

24 MR. ROBINSON: Just a follow-up to

[WITNESS: Beblowski]

1 Ms. Bailey's question on that piece of property.

2 WITNESS BEBLOWSKI: Sure.

3 BY MR. ROBINSON:

4 Q. Did the Commission actually have an appraisal completed
5 for that property and make an offer based on an
6 appraisal? Or, were you attempting a bargain sale for
7 something less than that? Or, did you not even get
8 that far?

9 A. The Harris Center had done the negotiations, and came
10 forward with a request to the Conservation Commission
11 to supply monies for stewardship funding. And, the
12 Conservation Commission moved forward with the
13 stewardship request. And, I believe, and I'm only
14 using my memory, it was a \$5,000 stewardship request.
15 And, as such, the Harris Center had done the
16 negotiations for the easement and had done all the
17 legal work thereof. And, that's my recollection on it.

18 Q. Do you know if an appraisal was ever completed and a
19 offer made by the Harris Center?

20 A. I do not know if a -- I believe a -- I believe an
21 appraisal was done. I don't know what -- if there was
22 a -- if it was a willing, I believe it was a willing
23 property owner who was providing the easement. And, I
24 don't know what the actual transactions were going to

[WITNESS: Beblowski]

1 be. We were simply asked to participate with the
2 stewardship fund. There was some other monies
3 requests, which the Conservation Commission could not
4 supply, due to legal conditions of the Current Use Tax
5 Conservation Fund. I believe a request was made to,
6 actually, Q2C, the Quabbin to Cardigan initiative, and
7 they supplied the additional monies -- or, they didn't
8 supply the additional monies, because the contract was
9 never completed. But they were willing to supply
10 additional monies to satisfy the request by the Harris
11 Center.

12 MR. ROBINSON: Okay. Thank you. No
13 other questions.

14 CHAIRMAN IGNATIUS: Other Committee
15 questions?

16 (No verbal response)

17 CHAIRMAN IGNATIUS: I have some
18 questions.

19 BY CHAIRMAN IGNATIUS:

20 Q. A moment ago Ms. Goldwasser was asking you about the
21 Q2C identification of the ridgeline as being identified
22 as a "high priority for conservation".

23 A. Yes.

24 Q. And, she asked you to then look at the map behind you,

[WITNESS: Beblowski]

1 which shows, from the Wildlife Action Plan, areas of
2 high-value habitat in pink. Is there -- are the two
3 entities using the same high priority classifications?
4 Do you know -- let me ask you directly. Do you know if
5 the Q2C Project is considering something high priority
6 because of the fact that it -- some of it may be part
7 of the high-value lands on that other map?

8 A. In order to answer your question, I don't know all the
9 layers that both groups used. I believe the layers --
10 the wildlife layers, the habitat layers, the forest
11 type layers, there's many, many layers that make up the
12 pink area. And, that's not separated out in the pink
13 area. So that there appears to be a great amount of
14 pink area on this plan. The actual individual
15 habitats, there may be multiple, I'm positive, there
16 are multiple habitats that are illustrated on this plan
17 by the pink. The Wildlife Action Plan I believe has,
18 and I may be misstating, but nearly 20 different
19 habitats, and there are a number of forest types, which
20 also supplies special overlays to a map of this nature.
21 I believe the Q2C utilized the Wildlife Action Plan to
22 produce their map and to come up with the values that
23 they're associating to their map.

24 I would only be assuming, but I would

[WITNESS: Beblowski]

1 assume that, not only the habitat, but then the forest
2 block, the large forest block, also adds to the value
3 that the Q2C utilizes and indicates in their e-mail to
4 me.

5 Q. All right. I wanted to ask you a couple of questions
6 about that list of parcels that you either have or had
7 discussions about putting under conservation.

8 A. Sure.

9 Q. And, I can't find it anymore. You can tell we're
10 getting tired here.

11 A. It's on -- it's the second page of AWE 16.

12 Q. Okay.

13 A. Okay? The first, the front --

14 Q. That's right. I was looking in your testimony and I
15 couldn't find it. So, it was a response you gave to a
16 request from AWE, is that right?

17 A. Correct.

18 Q. Okay. So, that chart, are any of the particles that
19 are listed as things that may be anticipated, parcels
20 that are also included in the proposed easements that
21 the Applicant has brought forward? Is there any
22 overlap between the two lists?

23 A. Yes. There was one. I believe it was "Willard
24 Mountain 350". And, I believe it's this parcel here

[WITNESS: Beblowski]

1 [indicating].

2 Q. And, is that the one you showed us before that was just
3 to the west of some of the turbine locations, a red
4 crosshatched parcel on this Audubon Society --

5 A. No. It's one that's not crosshatched.

6 Q. Oh. Okay.

7 A. It's the parcel that has the mountain -- the word
8 "Mountain", for both Willard Mountain and Robb
9 Mountain, within the parcel.

10 Q. All right. And, that's that gray L we were talking
11 about?

12 A. Correct.

13 Q. And, you said earlier that the discussions about going
14 forward with conservation of that -- well, let me back
15 up. Maybe we're missing each other.

16 A. Sure.

17 Q. My question was, was anything on your list of things
18 that were under consideration for conservation, which
19 includes that Willard Mountain 350-acre parcel, right?
20 Were any of your list also on the list that the Company
21 is proposing to put under conservation?

22 A. No.

23 Q. That Willard Mountain block that we were just talking
24 about is not marked off as being proposed for

[WITNESS: Beblowski]

1 conservation, correct?

2 A. That is correct.

3 Q. Okay. Is there anything that's on your list, in AWE
4 16, that was considered for conservation that does
5 appear as a crosshatched area in the Company's
6 proposal?

7 A. No, there are not.

8 Q. And, the reason that the number of projects that are
9 listed as "considered, but not yet completed", does
10 that mean they're still on the table or they have come
11 and gone and they're just not going to happen or a mix
12 of the two?

13 A. Some of them are on the table, some of them have come
14 and gone. We were asked to provide a list of the
15 projects that we completed and had pended within that
16 -- that had not been completed within the West Antrim
17 area -- or, excuse me, that the Conservation Commission
18 had done in town. It wasn't only the West Antrim area,
19 it was the town.

20 Q. I think you said a few moments ago that the Willard
21 Mountain parcel was working its way through the
22 process, some level of negotiations, and maybe
23 appraisal. And, then, was there a vote taken at that
24 point? That's where I got lost on the sequence.

[WITNESS: Beblowski]

1 A. Okay. It had reached the final stage. The Harris
2 Center had negotiated and moved a conservation easement
3 forward, provided us with a draft of a conservation
4 easement. And, they came before the Commission with a
5 request for monies from the Current Use Conservation
6 Fund that the Conservation Commission utilizes. And,
7 we had discussions with the Harris Center. They made a
8 final request of, I believe, \$5,000 as a stewardship
9 fee to steward the property through perpetuity, and we
10 moved -- we voted and moved that forward.

11 According to, and I don't remember the
12 RSA, but there had been an RSA revision to the current
13 use tax law that seemed to suggest that, if you were
14 going to spend monies, you needed to have a public
15 hearing. We held a public hearing. And, the
16 Commission, when they hold a public hearing, generally
17 bring it before the Selectboard, to notify them that we
18 were moving forward with utilizing the fund. The
19 hearing went forward successfully. We notified the
20 Harris Center that that had occurred. We sent a letter
21 of thanks to the landowner. And, I've never heard
22 anything else back.

23 Obviously, I was reviewing land deeds,
24 and I saw that a lease had been signed with the

[WITNESS: Beblowski]

1 landowner for that particular property.

2 Q. All right. You had said that you weren't -- that the
3 Conservation Commission was not taking a position on
4 the ultimate decision that we have to make, whether
5 this should be certificated or not. But do you have
6 any recommendations for the Site Evaluation Committee
7 to consider?

8 A. Hmm. I would like to say "yes", I do. I would like
9 for the SEC to move forward with a compensatory --
10 compensory [sic-compensatory?] mitigation policy for
11 projects like this. The wetlands rules have
12 compensatory mitigation rules. I don't believe that
13 you have enough time to go through a rulemaking to do
14 that. But that would be a suggestion that could or
15 should be done sometime in the future. Whether or not
16 it's done through a Committee process, with
17 stakeholders, or you just appoint people that have
18 expertise in a number of areas.

19 I believe, in my testimony, I pointed to
20 the Wind Siting Guidelines that are on the SEC website.
21 And, Section 14 addresses the particular issue that we
22 have the greatest concern of, which is regional conser-
23 vation plans. I think we've heard *ad infinitum* the
24 concern for the large forest habitat block and the

[WITNESS: Beblowski]

1 individual habitat concerns. I believe that particular
2 guideline sets out how those issues should be addressed
3 or how to provide criteria for coming to some type of
4 decision-making process. I do not believe that the
5 present Application has provided that particular
6 information so that the SEC can make a proper decision
7 on this Application.

8 Whether or not that becomes part of your
9 decision as a condition for additional work or what
10 have you, that's your -- that's your charge.

11 Q. Can we go back to the "compensatory mitigation" idea
12 for a moment?

13 A. Sure.

14 Q. I'm a lawyer, so I thought you said "compensatory
15 litigation", but --

16 A. No. No, no. No litigation, no.

17 Q. It was "mitigation".

18 A. "Mitigation".

19 Q. The concept would be, if there's disturbance or an
20 impact to a certain area, there would be another area
21 that is set aside and protected?

22 A. Perhaps. Let me make a larger -- a larger idea for
23 you. In the wetlands rules, there is an analog that
24 can be used. There is prime wetland. So, if you

[WITNESS: Beblowski]

1 disturb prime wetland, there are compensatory
2 mitigation that needs to occur, with annual monitoring
3 and perhaps even in lieu payments. I believe, because
4 within the regional landscape scale type of
5 conservation that we're talking about here, we have a
6 direct analog to the prime wetlands situation. And,
7 that that -- I'm not saying to steal the entire rules,
8 but it's a direct analog that you could use to guide
9 you through the regulatory process. And, that that
10 would be something that could be utilized.

11 Q. Isn't the --

12 MS. GOLDWASSER: I'm sorry. I hate to
13 interrupt, really, the Bench's questions, but this isn't
14 in the scope of Mr. -- I just want to put on the record,
15 this isn't in the scope of Mr. Beblowski's testimony. The
16 Antrim Conservation Commission voted not to take a
17 position on the Project. We haven't had a chance to
18 explore his personal thoughts about this. I don't know
19 what to make of those concerns, but I wanted to voice
20 them.

21 CHAIRMAN IGNATIUS: All right.

22 BY CHAIRMAN IGNATIUS:

23 Q. Let me just follow up with another question, though.

24 Because I think what you're talking about is more sort

[WITNESS: Beblowski]

1 of a structural thing, a tool that the SEC --

2 A. Sure.

3 Q. -- should look at in this in any case, right?

4 A. Yes.

5 Q. But, in the proposal that is before us, isn't the offer
6 of putting 685 acres under conservation effectively
7 that notion that, if there's a disturbance on some
8 acreage, there be acreage set aside in exchange?

9 A. Correct. That, you know, but it hasn't been formalized
10 within a formal plan. And, it hasn't been presented
11 within a context of the guidelines, to say that "the
12 area has this many acres, this is what the impacts are,
13 and this is what's being provided." It's just stating
14 that "685 acres are being provided". Almost half of
15 those acres are not actually within the Project, *per*
16 *se*. And, so, it just goes forward with "oh, we have
17 685 acres", and you only hear about "685 acres". Do we
18 know what type of habitat is on those 685 acres, you
19 know, this adjacent land, what have you? And, is it --
20 is it valued enough for what's being taken out, the
21 fragmentation, the possibility of invasive species
22 coming in. I think that's -- that's, you know, that's
23 what I'm -- that's what our concerns would be. And,
24 I'm trying to provide a mechanism for making, you know,

[WITNESS: Beblowski]

1 providing a decision-making process.

2 CHAIRMAN IGNATIUS: All right. Thank
3 you. Nothing else. Mr. Iacopino, do you have questions?

4 MR. IACOPINO: No.

5 CHAIRMAN IGNATIUS: No. Anything else
6 from the Committee?

7 (No verbal response)

8 CHAIRMAN IGNATIUS: All right. Then, --

9 MR. ROTH: Madam --

10 CHAIRMAN IGNATIUS: Mr. Roth.

11 MR. ROTH: As I did the other night, I
12 was wondering if I could have like 60 seconds with Mr.
13 Beblowski to discuss the possibility of a redirect?

14 CHAIRMAN IGNATIUS: All right. We'll
15 give you -- we'll give you 120 seconds.

16 (Brief recess taken for Atty. Roth to
17 confer with Witness Beblowski.)

18 CHAIRMAN IGNATIUS: All right. We're
19 back. Mr. Beblowski, is there anything that you feel you
20 need to address on redirect?

21 WITNESS BEBLOWSKI: Yes. I would like
22 to complete the values the Conservation Commission sees in
23 the West Antrim area. I may have forgotten to mention
24 that there were recreational values that are in that area.

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[WITNESS: Beblowski]

1 And, I may have thought I put it in when I discussed
2 Willard Pond, but there are hiking opportunities, bird and
3 wildlife watching, paddling. And, I think that's about
4 it.

5 CHAIRMAN IGNATIUS: All right.

6 WITNESS BEBLOWSKI: You know, the
7 standard, fishing, yes.

8 CHAIRMAN IGNATIUS: All right. Thank
9 you. Then, you're excused. Thank you your testimony.

10 WITNESS BEBLOWSKI: Thank you.

11 CHAIRMAN IGNATIUS: The next witness
12 scheduled, and the last witness for the afternoon is
13 Ms. Sullivan, who is not here. And, I understand she
14 feels the air in this building isn't good for her. And,
15 so, she doesn't want to be in the building.

16 I think what I'd like to do is go off
17 the record and we'll discuss options for what to do with
18 her testimony.

19 (Off-the-record discussion ensued.)

20 CHAIRMAN IGNATIUS: Let's go back on the
21 record. We have been discussing the final witness of the
22 night is Katharine Sullivan. She is not in attendance,
23 because she finds the air in this building to be difficult
24 for her breathing. And, so, we looked into the

1 possibility of having her call in. We just tried to reach
2 her and were not able to get her. The number worked, but
3 it switched over to an answering machine.

4 So, given that the plans for
5 cross-examination were very limited for this witness, my
6 conclusion is the best thing to do is to admit her
7 testimony without having her physically testify to it.
8 It's already been prefiled. And, it be -- it's already
9 been marked for identification, that we admit it without
10 having her testify. And, like any other comment we
11 receive, it's part of the evidence in the case.

12 So, that concludes the evidence for
13 today. We are due to come back for one final day,
14 Thursday, December 6th. I believe we're starting at 10:00
15 that morning, because of other commitments people had, is
16 that correct? Everybody nodding. And, that will be for
17 the Blocks to testify, starting at the beginning. And,
18 we'll take up any administrative matters afterwards that
19 may be necessary. There may be some final evidentiary
20 issues, issues regarding witnesses, discussion of a
21 schedule for briefing of issues, and a projection on when
22 transcripts will be ready will be part of that discussion.

23 MR. ROTH: Madam Chairman?

24 CHAIRMAN IGNATIUS: Go ahead.

1 MR. ROTH: Sorry. My motion to strike
2 from the first day, first witness, is still pending. And,
3 on an administrative level, you know, one of the reasons
4 we're starting at 10:00 is because I have a dentist
5 appointment. And, when I looked more closely at my
6 calendar, the appointment starts at like ten minutes to
7 9:00, and I'll be here as quickly as possible. And, so, I
8 would just ask that, if possible, the order be switched so
9 that the Applicant would still go last, but my position in
10 the order, to the extent it's necessary for me, in terms
11 of getting here from the Exit 12 area, is adjusted
12 accordingly, so other party can go before me.

13 CHAIRMAN IGNATIUS: All right. We're
14 happy to do that.

15 MR. ROTH: Thank you.

16 CHAIRMAN IGNATIUS: It will help for
17 people to think before Thursday about any other
18 outstanding issues. We'll do what we can to go through
19 our notes and be certain we're finding what we can, but
20 there may be some things that we're missing, so think
21 about that also, and kind of get your thoughts organized
22 on it before we get in on Thursday. So that, when we do
23 get to that phase, we can go through those. Ms. Geiger.

24 MS. GEIGER: Yes. The only thing that I

1 would just let the Chair know is that I was planning on
2 cross-examining Mr. Block and Attorney Patch is
3 cross-examining Mrs. Block. Just put that on the record,
4 put it out there.

5 CHAIRMAN IGNATIUS: All right. If
6 there's nothing else, then we will wrap up for today. I
7 want to thank you again for a long, very productive day.
8 And, throughout this process, people's willingness to just
9 keep on going, when everyone gets, you know, thinking of
10 many places they need to be and still stay focused on the
11 case. So, thank you. And, we'll do it one more time, and
12 then that will be it for the evidentiary phase. Thank
13 you. We're adjourned.

14 (Whereupon the hearing was adjourned at
15 6:41 p.m. and the hearing to reconvene
16 on Thursday, Dec. 6, 2012, commencing at
17 10:00 a.m.)
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