STATE OF NEW HAMPSHIRE SITE EVALUATION COMMITTEE

Docket No. 2015-06

Joint Application of Northern Pass Transmission, LLC and Public Service Company of New Hampshire d/b/a Eversource Energy for a Certificate of Site and Facility

PRE-HEARING MOTION OF THE SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS TO STRIKE PORTIONS OF <u>THE APPLICANTS' FORWARD NH PLAN</u>

The Society for the Protection of New Hampshire Forests (the "Forest Society"), by and through its attorneys, BCM Environmental & Land Law, PLLC, moves to strike portions of the Forward NH Plan proposed by Eversource Energy and Northern Pass Transmission, LLC (the "Applicants") as part of their application. In support, the Forest Society states as follows:

I. <u>The Applicants' Description of the Forward NH Plan</u>

1. It is unclear which claimed benefits are part of the Forward NH Plan and which are not. In their pre-filed direct testimony, the Applicants describe the Forward NH Plan as including every arguable benefit of the proposed Project. <u>See</u> Pre-filed Direct Testimony of William J. Quinlan at 4 ("[T]he Forward NH Plan includes a redesign of the Project route and numerous benefits specifically designed for the State of New Hampshire. The Forward NH Plan will provide access to a reliable, clean, renewable energy source which will diversify the regional energy market at no cost to New Hampshire customers and provide approximately \$3.8 billion in benefits from the Project over a 20 year period."). The Forward NH Plan also includes aesthetic considerations, partial burial, property tax considerations, projected short-term GDP benefits related to construction, and upgrades to the Coos Transmission Loop. <u>Id.</u> at 4–5, 7.

2. On the Northern Pass website, under the tab "Forward NH Plan," the Applicants describe a narrower list of components of the Forward NH Plan, as follows:

Northern Pass benefits go far beyond the clean energy, tax revenue, and construction jobs the project will bring New Hampshire. Northern Pass has also announced an innovative plan, called the Forward NH Plan, which will provide a wide range of economic, infrastructure, and tax benefits for New Hampshire. These benefits include providing \$7.5 million to the North Country Job Creation Fund to develop and retain jobs in the North Country, \$3 million to the National Fish and Wildlife Foundation to establish the Partners for NH's Fish and Wildlife grant program, and \$200 million to establish the Forward NH Fund to support clean energy innovations, economic development, community investment, and tourism.

http://www.northernpass.us/forward-nh.htm

3. The term "Forward NH Plan" that has been discussed in public information sessions and hearings, pre-filed testimony, on the Northern Pass website, and at technical sessions is an amorphous term.

4. However, Mr. Quinlan provided a useful construct to cut through the confusion.

5. In his pre-filed testimony Mr. Quinlan stated: "I led the effort to develop the

Plan, which was designed to provide specific benefits to New Hampshire beyond the benefits <u>naturally occurring</u> from the delivery of 1,090 MW of low carbon, competitively priced power from Hydro Quebec." Quinlan Testimony at 2 (emphasis added).

6. Mr. Quinlan's statement helps clarify that there are projected benefits that would naturally result from the Northern Pass, and there are benefits unrelated to the project itself that the Applicants have devised to obtain support for the Northern Pass.

II. <u>RSA 162-H does not Permit the Consideration of Benefits that are Unrelated</u> to the Siting, Construction, or Operation of a Proposed Energy Project

7. The language of 162-H clearly states that the relevant impacts and benefits of a proposed energy facility are those impacts and benefits occasioned by the facility itself.

8. "[T]the legislature finds that it is in the public interest to maintain a balance among those potential significant impacts and benefits in decisions about the <u>siting</u>, <u>construction</u>, and <u>operation</u> of energy facilities in New Hampshire[.]" RSA 162-H:1 (emphasis added). This describes, to use Mr. Quinlan's word, the "natural" impacts and benefits.

9. The required connection between the proposed project and the claimed benefit is further established in RSA 162-H:16, IV: "After due consideration of all relevant information regarding the potential siting or routes of a proposed energy facility, including potential significant impacts and benefits" In this passage, the "impacts and benefits" are part of "all relevant information" to be considered. Thus, the benefits that may be considered under RSA 162-H are benefits "regarding the potential siting or routes of a proposed energy facility."

10. The portions of the Forward NH Plan discussed not related or relevant to the siting or routing of the project are discussed below in detail. These "unnatural benefits" are offered by the Applicants to sweeten the proposal and do not naturally flow from the construction and operation of the project itself. By simply offering these sweeteners, the statute does not allow the Applicants to transform them into benefits <u>of the project</u> or "regarding the potential siting or routes of a proposed" project. RSA 162-H:16, IV.

The SEC's administrative rule regarding the "criteria relative to finding of public interest" also requires relevant public benefits to be related to the actual energy facility. <u>See</u> Site 301.16.

12. Site 301.16 charges the SEC with "determining whether <u>a proposed energy</u> <u>facility</u> will serve the public interest." The Rule does not charge the SEC with determining whether the proposed energy facility as well as other benefits unrelated to the energy facility will serve the public interest. (Emphasis added.)

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13. In addition to this being contained in the language of RSA 162-H:1, RSA 162-H:16, IV, and Site 301.16, the requirement that the benefits that are relevant to the RSA 162-H analysis are the benefits that are related to or "naturally occurring" from the proposed project is implicit to the statutory scheme. RSA 162-H is about siting energy facilities in particular locations and preempts much of a host community's local control over the impacts it will experience. It is, therefore, implicit in the process that the benefits contemplated by the legislature as relevant to the analysis are those that are actually occasioned by the siting, construction, and operation of the project. If the legislature intended that applicants could create artificial or "unnatural" benefits to supplement the intrinsic or "natural" benefits of a proposed project, it would have so provided for such an accommodation in the statute.

14. The SEC's consideration of unrelated benefits would establish a dangerous public-policy precedent that would allow for the State's resources to be for sale to an applicant willing to spend. It would encourage and allow an applicant to offset real localized impacts of an energy facility with large cash payments to curry public support and remove opposition.

15. Per RSA 162-H and the SEC administrative rules, the SEC must consider the merits of the project itself, *i.e.*, the impacts and benefits occasioned by the proposed energy facility itself.

III. <u>Certain Portions of the Forward NH Plan are Unrelated to the Proposed</u> Northern Pass Project

16. The portions of the Forward NH Plan that are unrelated to the proposed energy facility are benefits that would not occur due to the siting, construction, or operation, and include the following: the \$200 million Forward NH Fund; the \$7.5 million North Country Jobs Creation Fund; the \$3 million National Fish and Wildlife Fund (NFWF) Partners for NH's Fish

and Wildlife grant program; and the \$53 million of proposed upgrades to the Coos Transmission Loop.

A. <u>The Forward NH Fund</u>

17. The Applicants have proposed a \$200 million Forward NH Fund "targeted to support community betterment, clean energy innovation, tourism and economic development." Quinlan Testimony at 6.

18. Although Mr. Quinlan testified that "[t]he emphasis for this Fund will be on host communities and, in particular, host communities in the North Country," the Purposes of the Forward NH Fund set forth in its Articles of Agreement and Bylaws do not state such an emphasis. Quinlan Testimony at 6; Supplemental Testimony of William J. Quinlan (March 24, 2017) at Attachment A, p.1 and Attachment C, p. 1.

19. Mr. Quinlan's testimony also states that "[t]he Fund will operate through an Advisory Board structure including municipal and community leaders, representatives of the business community, environmental organizations, North Country leaders and other key stakeholders." Quinlan Testimony at 6.

20. However, Article V of the Bylaws entitled "Board of Directors" includes no such requirements or qualifications. <u>See</u> Quinlan Supplemental Testimony at Attachment C, p.3.

21. The Forward NH Fund is not "naturally occurring" from the proposed project. Instead, the recipients could be anywhere in the State, regardless of proximity to or impact from the Northern Pass. <u>See, e.g.</u>, City of Nashua's Petition to Intervene, NPT Docket No. 2015-06 (February 5, 2016) ("The City is uniquely positioned . . . to benefit from Forward NH Fund funding"); <u>see also</u> Order on Petitions to Intervene at 10, NPT Docket No. 2015-06 (March 18, 2016) (denying Nashua's intervention because "[i]nterest in an economic stimulus plan and other indirect benefits of the Project is not specific enough to warrant intervention").

22. That benefits of the Forward NH Fund would be available to far-flung municipalities such as Nashua underscores the negative public-policy implications posed by the Applicants' plan. Nashua, for example, would obtain Fund benefits of the Northern Pass project but not experience the impacts of, for example, host communities.

23. This result would be inconsistent with the obvious intention of RSA 162-H: and :16(IV) and Site 301.16, which require a consideration of the impacts and benefits related to the "siting, construction, and operation" of the proposed facility.

24. Although the Forward NH Fund is not currently operating, the Fund has committed or advanced \$5 million in loan funding to the Balsams Resort in Dixville Notch. <u>See</u> Quinlan Supplemental Testimony at 4. However, the proposed Northern Pass would not go through the property of the Balsams Resort.

25. It is self-evident that the Applicants' provision of loan funds for entities throughout New Hampshire is unrelated to the "siting, construction, and operation" of the Northern Pass. RSA 162-H:1 and :16(IV) and is not a benefit "regarding the potential siting or routes" of the Northern Pass.

26. Finally, the Forward NH Fund is not a component of the proposed energy facility and, therefore, is not relevant to the Site 301.16 public interest analysis.

27. For these reasons, the SEC should strike evidence of the \$200 million Forward NH Fund from consideration in this docket.

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B. <u>The North Country Jobs Creation Fund</u>

28. Despite its name, the Northern Pass is not a northern New Hampshire project. In addition to Coos County, the proposed project would burden Grafton, Belknap, Merrimack, and Rockingham Counties. The Northern Pass would be a 192-mile permanent line from Canada to the Merrimack Valley, impacting towns such as Concord and Deerfield that are far removed from "the North Country."

29. The North Country Jobs Creation Fund is limited to "the North Country" but not dedicated to either host communities or mitigating actual impacts of the Northern Pass. It does not serve any other region that would be impacted by the Northern Pass.

30. Like recipients of the Forward NH Fund, the North Country Jobs Creation Fund recipients are not connected to impacts of the proposed project or the project's host communities. Instead, the Fund "will be spent . . . in the region." Quinlan Testimony at 5, Lines 26–27.

31. For example, the North Country Jobs Creation Fund has provided \$22,500 to a business in Colebrook, which is not a host community. <u>See</u> Quinlan Supplemental Testimony at 5 and Attachment D. This funding is not related to any acknowledged direct or indirect impact of the proposed Northern Pass. <u>Id.</u>

32. Jobs created by the North Country Jobs Creation Fund would not be direct or indirect jobs attributable to "siting, construction, and operation" of the Northern Pass transmission line. RSA 162-H:1 and :16(IV).¹

¹ The Applicants' consultant, London Economics International (LEI) described and analyzed direct, indirect, and induced jobs attributable to the proposed Northern Pass. Jobs created by the Applicants to construct the Northern Pass would be direct jobs. LEI Report at 71. Indirect jobs created to satisfy the demands for goods and services to satisfy the project's direct suppliers would be indirect jobs. <u>Id.</u> at 74. Jobs created as a result of spending by those constructing the Northern Pass would be induced jobs. <u>Id.</u> LEI did not analyze the unrelated jobs that may be created by Forward NH Plan components such as the Forward NH Fund or the North Country Jobs Creation Fund.

33. Jobs created by the North Country Jobs Creation Fund are not a benefit of the "siting" of the Northern Pass, as the jobs created need not be in any way connected to the placement of the Northern Pass. <u>Id.</u>

34. Jobs created under the North Country Jobs Creation Fund would be unrelated to the "construction" or "operations" of the Northern Pass, as construction jobs to build the Northern Pass and any permanent jobs related to the operations of the transmission line are benefits attributed elsewhere in the Applicants' touted benefits. <u>Id.</u>; Quinlan Testimony at 5 (discussing jobs created by the North Country Jobs Creation Fund as separate from the "over 2,600 jobs" claimed to be created during construction).

35. Also, the North Country Jobs Creation Fund is not part of the proposed energy facility and, therefore, is not relevant to the Site 301.16 public interest analysis.

36. For these reasons, the SEC should strike evidence of the Fund.

C. <u>National Fish and Wildlife Foundation Partners for NH's Fish and Wildlife</u>

37. "As part of the Forward NH Plan, the NPT has established a \$3 million natural resources partnership with the National Fish and Wildlife Foundation ('NFWF'). Through this partnership, NPT and the NFWF will pursue national resource initiatives aimed at restoring and sustaining healthy forests and rivers." Quinlan Testimony at 6.

38. Two parts of this description illustrate the lack of connection between the NFWF program and the proposed Northern Pass project.

39. First, the NFWF program pursues "national" initiatives. A listing of the grants made to date bear out that the selected projects are New England in region, and are not connected to the Northern Pass or any environmental impacts associated with the Northern Pass. <u>See</u>

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Exh.1.² One project is entirely in Brownfield, Maine. <u>Id.</u> at 7. It is undisputed that the Northern Pass would not impact Maine's resources.

40. Second, and relatedly, the stated goals of the program are "restoring and sustaining healthy forests and rivers." Quinlan Testimony at 6. However, the NFWF projects are not required to address any impacts to rivers and forests caused by the Northern Pass. <u>See</u> Exh. 1.

41. Maps showing the location of grant recipients underscore the general lack of a geographical nexus between the funded programs and the route of the proposed Northern Pass. See Exh. 1 at 2, 6.

42. The projects funded by the NFWF program are not connected geographically to the route of the proposed Northern Pass or topically to any of its impacts. Thus, the benefits of the NFWF program are not related to the "siting, construction, and operations" of the Northern Pass and are not benefits "regarding the potential siting or routes" of the project. RSA 162-H:1 and :16(IV).

43. Similarly, the NFWF program is not part of the proposed energy facility and is, therefore, not relevant to the Site 301.16 public interest analysis.

44. For these reasons, evidence of the NFWF program cannot be considered in the SEC's analysis and should be stricken.

45. Finally, it cannot be overlooked that no New Hampshire environmental or conservation organizations have endorsed the Northern Pass.

² One project funded in 2016 is a University of Connecticut study focused on bees and butterflies in transmission rights-of-way, however, the study scope was New Hampshire, Massachusetts, and Connecticut and otherwise does not appear to be connected to impacts posed by the proposed Northern Pass or involve study of the proposed Northern Pass right-of-way.

D. <u>The Coos Transmission Loop</u>

46. The Applicants have also included in their "benefits" an upgrade to the Coos Transmission Loop, with \$1.2 million of the \$53 million cost to be paid from the Forward NH Fund. Exh. 2.

47. No part of the Coos Transmission Loop is proposed to be used to transmit the 1,090 MW of electricity that is the subject of the Northern Pass. As such, the upgrade would be a gratuitous benefit not "naturally occurring" from the Northern Pass project.

48. The proposed upgrades to the Coos Transmission Loop will likely need PUC approval and a system study by ISO-NE, which means that the Applicants cannot ensure that this benefit will come to pass in the event that the Northern Pass is approved.

49. As the proposed Coos Transmission Loop upgrades are subject to further approval by regulatory bodies and are out of the Applicants' control; are not related to the "siting, construction, and operation" of the proposed Northern Pass under RSA 162-H:1; are not "regarding the potential siting or routes" of the project under RSA 162-H:16, IV; and are not a component of the proposed Northern Pass energy facility for purposes of Site 301.16, the proposed upgrades cannot be considered as a benefit in the SEC's RSA 162-H analysis.

50. For these reasons, evidence regarding upgrades to the Coos Transmission Loop should be stricken.

IV. <u>Conclusion</u>

51. The Forest Society does not deny that certain benefits claimed by the proposed Northern Pass would, if proven, be benefits that would naturally occur as a result of the project. However, the purported benefits discussed herein do not relate to any criteria of RSA 162-H:16

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that the Applicants must satisfy and are unrelated to the proposed project itself. RSA 162-H and

the SEC administrative rules do not permit the SEC's consideration of such unrelated benefits.

52. It is the burden of the Applicants to satisfy the criteria of RSA 162-H on the

merits of the proposed project itself.

- 53. The parties below take the following positions with respect to this request:
 - a. Concur:

Abutting Property Owners (overhead portion), Deerfield Abutting Property Owners (overhead portion), Dummer, Stark, and Northumberland Abutting Property Owners (overhead portion), Whitefield, Dalton, and Bethlehem Abutting Property Owners (underground portion), Bethlehem to Plymouth Combined Group of Intervenors Clarksville-Stewartstown Grafton County Commissioners McKenna's Purchase Municipal Group 1-North Municipal Group 1 – South Municipal Group 2 Municipal Group 3 – North Municipal Group 3 – South NEPGA Non-Abutting Property Owners (overhead portion) Ashland to Deerfield Non-Abutting Property Owners (overhead portion), Stark, Lancaster, Whitefield. Dalton, and Bethlehem NGO Group consisting of Appalachian Mountain Club, Conservation Law Foundation, Sierra Club Chapter of NH, and Ammonoosuc Conservation Trust Pemigewasset River Local Advisory Committee

b. Object:

Applicant City of Berlin

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

WHEREFORE, the Forest Society respectfully requests that the Committee:

- A. Grant this Motion;
- B. Strike all evidence and testimony regarding the Forward NH Fund, North Country Jobs Creation Fund, NFWF Partners for NH's Fish and Wildlife program, and proposed upgrades to the Coos Transmission Loop; and

C. Grant such further relief as it deems appropriate.

Respectfully Submitted,

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

By its Attorneys,

BCM Environmental & Land Law, PLLC

Date: March 29, 2017

By: Amy Manzelli, Esq. (17128) Jason Reimers, Esq. (17309) Elizabeth A. Boepple, Esq. (20218) Stephen W. Wagner (268362) 3 Maple Street Concord, NH 03301 (603) 225-2585 manzelli@nhlandlaw.com

CERTIFICATE OF SERVICE

I hereby certify that on this day, March 29, 2017, a copy of the foregoing Motion was

sent by electronic mail to persons named on the Service List of this docket.

Jason Reimers, Esq.

EXHIBIT 1

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EVERSOURCE Partners for New Hampshire's Fish and Wildlife

NFWF CONTACTS Amanda Bassow

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ABOUT NFWF

The National Fish and Wildlife Foundation (NFWF) protects and restores our nation's fish and wildlife and their habitats. Created by Congress in 1984, NFWF directs public conservation dollars to the most pressing environmental needs and matches those investments with private funds. Learn more at www.nfwf.org

NATIONAL HEADQUARTERS

1133 15th Street, NW Suite 1100 Washington, DC 20005 202-857-0166

ANNUAL REPORT FOR 2015

PARTNERSHIP SUMMARY

In 2015, Eversource and the National Fish and Wildlife Foundation (NFWF) created Partners for New Hampshire's Fish and Wildlife, which is a partnership dedicated to restoring and sustaining healthy forests and rivers in New Hampshire. Eversource, through its subsidiary Northern Pass Transmission LLC, has committed a total of \$3 million to the partnership. Through the Partners for New Hampshire's Fish and Wildlife programs, NFWF works with a variety of stakeholders — private landowners, government agencies, academic institutions and conservation groups — to cultivate science-based conservation strategies, and cost-effective on-the-ground projects. Competitive grants are reviewed by a committee of government and academic experts, and funding decisions are based on the ability of the applicant to implement strategies that achieve the program priorities and result in measurable conservation outcomes.



Volunteers work on Eversource-supported projects throughout New Hampshire.





Bicknell's thrush

Eastern brook trout

CONSERVATION IMPACT

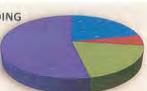
CONSERVATION INTPACT	
Number of Projects 9	
Miles of Stream Opened 92	
Miles Restored 19	
Fish Passage Barriers Rectified 10	
Acres of Forest Restored 170	
Volunteers	
People Reached 540	

CONSERVATION IMPACT: FUNDING

The program has funded nine projects within New Hampshire, leveraging almost \$400,000 from Eversource, nearly \$363,000 from federal partners and nearly \$1 million in grantee match for a total conservation impact of more than \$1.7 million.

PARTNERS FOR NEW HAMPSHIRE'S FISH AND WILDLIFE FUNDING

	Eversource - Projects	\$400,000
-	Eversource - Program Management	\$100,000
	NFWF Federal	\$362,474
	Grantee Match	\$994,794



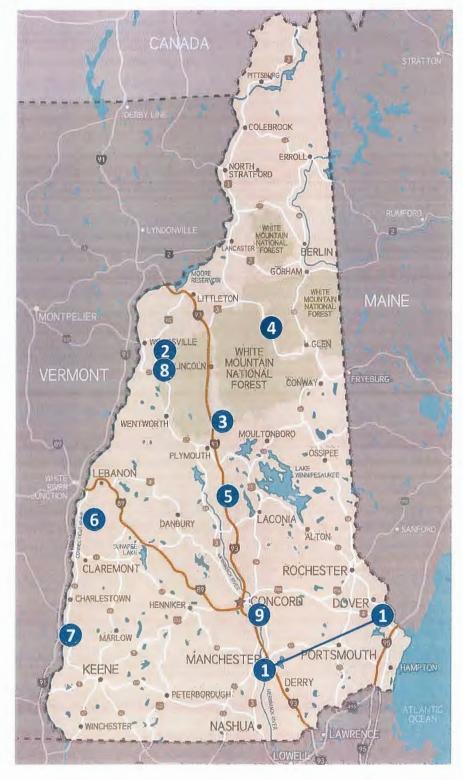


Project Summaries and Locations

1) ENHANCING HABITAT FOR EARLY SUCCESSIONAL SPECIES (NH)

Award	\$50,000
Eversource Funds	\$50,000
Grantee Match	\$150,000

The Wildlife Management Institute will establish at least 30 acres of early successional habitat through two pilot projects on sites in the Town of Londonderry and the Bellamy River Wildlife Management Area (WMA) that are part of a larger effort to restore populations of American woodcock, golden-winged warbler and other species dependent on early successional habitat. Project will engage local volunteers to provide additional habitat for New England cottontail and avian species with similar habitat needs. Intended project outcomes include restoration of an additional 10 acres of early successional habitat at Bellamy River WMA with pretreatment through selective herbicide application and planting of 20,000 shrub seedlings; selecting two of four potential sites in the Town of Londonderry to improve at least 20 acres of early successional habitat using methods that include selective timber harvest for regeneration and brush mowing for maintenance and enhancement of existing habitat; and providing educational materials, including kiosks and recreational trails, at the site adjacent to Londonderry High School and Middle School through leverage from the U.S. Fish and Wildlife Service's Schoolyard Habitat program.





2) EASTERN BROOK TROUT AQUATIC ORGANISM PASSAGE

Award \$5	0,000
Eversource Funds\$5	0,000
Grantee Match\$13	0,000

The Connecticut River Watershed Council will use natural stream simulation design techniques to replace barriers to fish passage in an Eastern brook trout watershed whose tributaries flow off of the White Mountain National Forest and into the Connecticut River watershed. Project will identify and prioritize projects within the Oliverian Brook watershed, including the North Branch and Titus Brook tributaries in the Town of Haverhill. Intended project outcomes include increasing the quality and quantity of aquatic habitats by replacing stream crossings in select tributaries of Oliverian Brook; implementing the Page Road/North Branch culvert replacement project, resulting in the removal of two perched culverts and reopening 10 miles of stream and 20 miles of interconnected tributaries to fish passage; and outreach to an estimated 50 people residing near the other 17 identified culverts that cover about 25 acres of the watershed.

3) RESTORING YOUNG FORESTS TO BENEFIT NEW ENGLAND COTTONTAIL AND AMERICAN WOODCOCK (NH)

Award\$	200,000
Eversource Funds\$	100,000
Grantee Match\$	200,000

The Wildlife Management Institute will promote and implement young forest management activities on private land in northern and southern New Hampshire to benefit a suite of species, including New England cottontail and Anierican woodcock. Project will provide technical assistance on private lands including lands owned by Wagner Woodlands and Plum Creek Timberlands, resulting in five new management plans and improved management practices that will increase habitat and assess 3,500 acres for improved management of American woodcock and New England cottontail. Intended project outcomes include increasing early successional forest habitat for American woodcock and New England cottontail by 140 acres and creation of three roosting fields totaling about 15 acres scattered throughout a large complex of managed woodlands with a strong emphasis on early successional habitat to benefit American woodcock.

4) MAPPING ABUNDANCE AND ESTIMATING POPULATION SIZE OF BICKNELL'S THRUSH (ME, NH, VT)

Award	\$78,588
Eversource Funds	\$35,000
Grantee Match\$	128,255

The Vermont Center for Ecostudies will produce two spatially explicit estimates of abundance and population size of Bicknell's thrush and other montane forest birds in Maine. New Hampshire and Vermont to predict how abundance, population size and distribution may change in response to forest succession and disturbance events. Project will fill critical information gaps identified by the U.S. Fish and Wildlife Service and the International Bicknell's Thrush Conservation Group, and the results will help identify priority habitat areas for future conservation by recruiting 100 volunteers and monitoring 650 stream and forest sites. Intended outcomes include improved ability for the U.S. Fish and Wildlife Service to make informed decisions about the status of Bicknell's thrush, identifying priority areas most able to provide sustainable high-elevation habitat for Bicknell's thrush and other montane species, and providing better information on the siting of infrastructure projects away from key geographies that are critical to future abundance.

5) THE STEWARDSHIP NETWORK: NEW ENGLAND -MOBILIZING VOLUNTEERS FOR FOREST AND RIPARIAN HABITAT RESTORATION IN NEW HAMPSHIRE

Award	\$100,000
Eversource Funds	. \$50,000
Grantee Match	\$100,000

The University of New Hampshire will increase the capacity of local conservation organizations, public agencies and local communities to work with volunteers on conservation of New Hampshire's lands and waters. Project will provide technical assistance and training in volunteer management on at least 15 habitat restoration projects and three citizen-science projects in three focus areas, including habitat restoration for forest and riparian species in greatest need of conservation according to New Hampshire's State Wildlife Action Plan, innovative approaches for invasive plant removal to restore healthy forests and riparian areas, and citizen-science programs focused on wildlife and water quality that had begun with previous large parcel grant funding. Intended project outcomes include engagement of 300 volunteers in habitat restoration projects in at least three different counties, conducting volunteer citizen science surveys on at least 250 acres of private land and increasing volunteer subscriptions to the Stewardship Network by 20 percent (from 1,600 to 2,000 subscribers).



6) GETTING CONSERVATION ON THE GROUND - OUTREACH AND ASSISTANCE FOR LIMITED RESOURCE LANDOWNERS IN THE CONNECTICUT RIVER WATERSHED (MA, NH, VT)

Award \$64,	,540
Eversource Funds\$25,	,000,
Grantee Match\$70,	,000,

The Connecticut River Watershed Council will provide project design, technical assistance and financial assistance to at least six private landowners with working lands in Massachusetts, New Hampshire and Vermont who are unable to meet cost-share requirements for improving riparian and instream habitats on their land. Project will target priority Eastern Brook Trout Joint Venture watersheds within the Connecticut River watershed, especially those watersheds with high potential for sediment and nutrient loading reductions, by implementing habitat best management practices to restore 12 miles of riparian and instream habitat, which will also benefit Long Island Sound priorities and the goals of the Long Island Sound Regional Conservation Partnership Plan. Intended project outcomes include designing, permitting and implementing two projects in each state to restore riparian and instream habitat, restoring six miles of stream by creating instream habitat for Eastern brook trout, and enhancing water quality in 12 miles of stream through implementation of erosion control best practices.

7) ASSESSING FISH BARRIER PRIORITY MODIFICATIONS IN THE CONNECTICUT RIVER TRIBUTARIES OF NEW HAMPSHIRE, VERMONT AND MASSACHUSETTS

Award	\$50,324
Eversource Funds	\$21,000
Grantee Match	\$53,000

American Rivers will identify priorities to remove barriers to fish passage and provide engineering designs for selected projects in the Connecticut River tributaries of New Hampshire, Vermont and Massachusetts. Project will conduct landowner outreach and complete preliminary engineering studies to advance up to six barrier removals that will, when implemented, restore access to more than 60 miles of stream with critical upstream habitat for native Eastern brook trout, river herring, and Atlantic salmon. Intended project outcomes include completion of preliminary designs for six barrier removal projects that include potential sediment issues, infrastructure risks, species impacts and benefits, and a construction cost estimate, and reaching out to at least 12 landowners to gauge interest and willingness to remove a barrier.

8) RESTORING CONNECTIVITY THROUGH FISH BARRIER MODIFICATIONS ON OLIVERIAN BROOK (NH)

Award	\$65,000
Eversource Funds	\$65,000
Grantee Match	\$65,000

The **Connecticut River Watershed Council** will replace an undersized, perched culvert on Oliverian Brook in Haverhill, New Hampshire by providing design, engineering and permitting assistance. Project will open and connect stream and riparian buffer habitat to benefit Eastern brook trout and other aquatic species in a sub-watershed identified as high priority by the Eastern Brook Trout Joint Venture. Intended project outcomes include increasing habitat connectivity in .25 miles of stream and increasing flood resiliency.

9) EXPANDING RIPARIAN FOREST BUFFERS TO IMPROVE WATER QUALITY USING A PRECISION STORMWATER APPROACH (MA,NH)

Award\$103,971
Eversource Funds\$37,576
Grantee Match \$124,446

The Merrimack River Watershed Council will restore streamside forest buffers in four targeted New Hampshire and Massachusetts sub-watersheds of the Merrimack River to improve water quality and habitat for eastern brook trout and other aquatic species. Targeted watersheds were selected based on their impervious surface area, nutrient pollution level, and potential brook trout habitat. Project will provide training and technical assistance to landowners and municipalities in Hillsborough, Merrimack and Rockingliam counties in New Hampshire and Essex County in Massachusetts, resulting in the planting of 1,500 mixed native seedlings on nine demonstration sites by 10 trained volunteers. Intended project outcomes include improving management and protection of 1,000 acres of private and municipal forest added to the state Forest Stewardship Program, demonstrating best management practices to 27 towns and 60 landowners, and creation of 20 forest stewardship plans.

EVERSOURCE Partners for New Hampshire's Fish and Wildlife

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ABOUT NFWF

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NATIONAL HEADQUARTERS

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EVERSOURCE AND NEWF - 2016

ANNUAL REPORT FOR 2016

PARTNERSHIP SUMMARY

In 2016, Eversource and the National Fish and Wildlife Foundation (NFWF) completed the second year of grantmaking through Partners for New Hampshire's Fish and Wildlife, which is a partnership dedicated to restoring and sustaining healthy forests and rivers in New Hampshire. Eversource, through its subsidiary Northern Pass Transmission LLC, has committed a total of \$3 million to the partnership. Through Partners for New Hampshire's Fish and Wildlife, NFWF works with a variety of stakeholders — private landowners, government agencies, academic institutions and conservation groups — to cultivate sciencebased conservation strategies, and cost-effective on-the-ground projects. Eight new projects were funded in 2016, again through a competitive review process, for a total of 17 projects funded in New Hampshire over the two year period (see map). To date, the program has leveraged \$1,200,000 from Eversource, \$1,418,000 from federal partners, and \$2,062,000 in grantee match for a total conservation impact of nearly \$4.7 million.





Poorfarm Brook | Credit: Belknap County

store her work-New Ingand

PARTNERS FOR NEW HAMPSHIRE'S FISH AND WILDLIFE SUMMARY

CONSERVATION IMPACT Number of Projects	9 92 3,500 10 170 431		17 240 14,445 18 1,601 661
FUNDING DISTRIBUTION	.\$100,000	\$800,000	\$1,200,000
Eversource - Projects		\$200,000	\$300,000

Grantee Match \$2,062,000 \$1,067,000 \$2,062,000

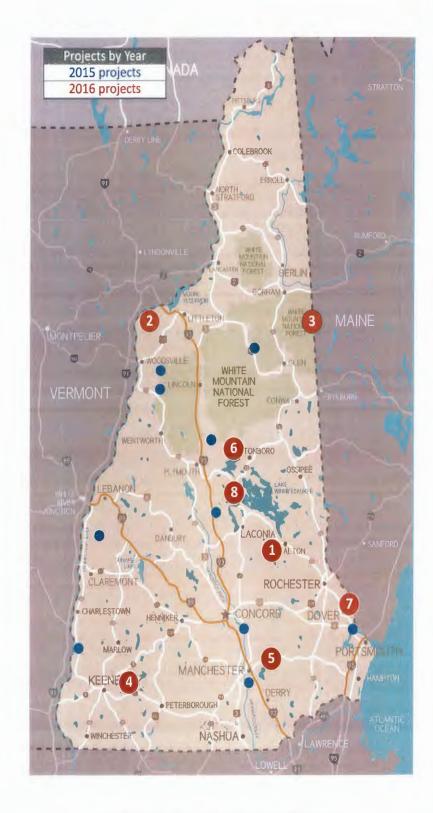


2016 Project Summaries and Locations

1) RESTORING STREAM BANKS AND IMPROVING FOREST MANAGEMENT TO BENEFIT EASTERN BROOK TROUT (NH)

Award			 	 	\$70,033
Grantee	Match	1	 	 	\$74,562

The Belknap County Conservation **District** will revise the Gunstock Forest Management Plan to incorporate more wildlife habitat, restore and stabilize a stream bank on Gunstock Brook to reduce sediment and nutrient releases and improve water quality and fish habitat for Eastern brook trout. Project will address forest sustainability and improving native wildlife and fish habitat for targeted species, repair of a popular and accessible 1/4 mile Wetland Walk trail and expanded interpretation services in a demonstration area. Work includes planning bird and fish habitat improvements for woodcock and trout, pollinator plantings, developing information materials, interpretive signing and leadership to coordinate the project and line up future Gunstock forest management, habitat improvements and educational outreach. Gunstock includes a large section of the Poorfarm Brook watershed and diverse habitat conditions including Hemlock-hardwoodpine, Northern Hardwood, Cliff-Talus, forested wetlands and open ponds. The project will prevent 47 tons of sediment and 41 tons of phosphorous at a priority restoration site from entering Gunstock Brook and the Poorfarm Brook watersheds, which flow into Lake Winnipisaukee.





2) REMOVING FISH BARRIERS TO RESTORE ACCESS TO 140 MILES OF EASTERN BROOK TROUT HABITAT (NH, VT)

Award	\$199,165
Grantee Match	\$229,075

The Connecticut River Watershed Council will increase aquatic connectivity on the Upper Connecticut River in the Town of North Haverhill by removing seven barriers, identified using ecological rankings from the U.S. Fish & Wildlife Service and regional connectivity reports, that are blocking fish migration for spawning, sediment transport and natural flow regimes in these cold water streams. Project will open access to 140 miles of historic cold water spawning habitat and thermal refugia for Eastern brook trout while also improving sediment transport, restoring natural flow regimes and reducing flood elevations and the potential for infrastructure failures during storm events in six New Hampshire and Vermont communities.

3) REPLACING A CULVERT ON THE SHEPARDS RIVER TO RESTORE HABITAT FOR EASTERN BROOK TROUT (ME, NH)

Award\$	100,000
Eversource Funds	\$75,000
Grantee Match\$2	169,750

The **Town of Brownfield, Maine** will replace an older and undersized culvert on the Shepards River in Brownfield, Maine with a fish-friendly, open bottom structure that will restore fish passage for Eastern brook trout and provide access to historic spawning habitat. Project will restore eight miles of known Eastern brook trout habitat upstream in New Hampshire that will be reconnected to 27.6 miles of habitat downstream and will ensure that the road is no longer at risk of closure during flooding events. The Shepards River is home to a native brook trout fishery and also had an historic Atlantic salmon run that may be restored when the downstream barriers are removed.

2015 Success: Connecticut River Watershed Council

4) IMPROVING POLLINATOR HABITAT IN RIGHTS-OF-WAY (NH, MA) Award \$111.077

Award	 \$111,077
Grantee Match	 \$111,077

The **University of Connecticut** will assess the best opportunities to create and manage habitat for declining pollinator populations, including the Monarch butterfly and bee species, on transmission line rights-of-way in New Hampshire and south into Massachusetts and northern Connecticut. Project will determine best management practices to achieve an optimal diversity of pollinator species by comparing pollinator utilization of young forest habitats and adjacent mature forest habitats along these corridors.

5) ACHIEVING MULTI-SPECIES BENEFITS FROM YOUNG FOREST RESTORATION AND MANAGEMENT (NH, ME)

Award	\$197,982
Grantee Match	\$198,100

The University of New Hampshire will compare the effects of mechanical mowing, selective herbicide treatment and new forest openings on habitat utilization by Golden-winged warblers along transmission line rights-of-way. The purpose of the grant is to address a decline in young forest habitat in New England by observing usage by young forest dependent birds in newly created habitat for New England cottontail. Field sampling will be conducted in southern Maine and southeastern New Hampshire and will focus on conservation priority bird species including Golden-winged warbler, Prairie warbler, Blue-winged warbler, Eastern towhee and Brown thrasher. Project partners include NRCS, New Hampshire Fish and Game, the New England cottontail habitat state management teams, and UNH Cooperative Extension. Project will inform decisions about where new clearcuts in rights-ofway should be positioned to maintain a mosaic of functioning habitat types. The project will assess and compare 445 acres of young forest habitat.



Oliverian Brook Fish Passage: Before | Credit: CRWC PARTNERS FOR NEW HAMPSHIRE'S FISH AND WILDLIFE — 2016



Oliverian Brook Fish Passage: After | Credit: CRWC



6) RECRUITING PRIVATE LANDOWNERS TO RESTORE YOUNG FOREST HABITAT FOR GOLDEN-WINGED WARBLERS (VT, NH)

Award	\$70,000
Grantee Match	\$70,000

Audubon Vermont will recruit landowners in the Champlain Valley of Vermont and in New Hamphire, around Lake Winnepesaukee, to assess and implement forest management techniques that enhance the complexity of forest habitat across the landscape to benefit Golden-winged warblers and other priority bird species. The project will emphasize signage, demonstration areas and public workshops to showcase best management practices by improving at least 400 acres of young forest habitat and initiating easements on a minimum of 100 acres in the target area.

7) CREATING NEW ENGLAND COTTONTAIL HABITAT ON UNDER-UTILIZED LANDS (ME, NH)

Award \$60,000	
Eversource Funds\$5,000	
Grantee Match \$166,870	

The Wells National Estuarine Research Reserve will accelerate the restoration of young forests by creating a best practices guide for restoration on under-utilized lands, including transmission line rights-of-way in southern Maine and eastern New Hampshire. Project will support an expert on-the-ground coordinator to ensure that the landowner or manager is matched to the appropriate restoration approach from the guide and will implement a suite of practices that will result in 300 combined acres of demonstration habitat supporting New England cottontail.

8) RESTORING YOUNG AND MATURE FOREST HABITAT FOR NEW ENGLAND COTTONTAIL AND PRIORITY BIRD SPECIES (NH)

Award	\$65,000
Grantee Match	\$65,000

The Wildlife Management Institute will increase the acreage of young forest habitats utilized by New England cottontail, American woodcock, Golden-winged warbler and other young forest dependent bird species in New Hampshire. Project will improve a total of 152 acres of habitat by recruiting landowners through a suite of species-specific websites that highlight the importance of maintaining young forest habitat and providing technical assistance for implementation of best management practices.

VOLUNTEERS SEARCH FOR RABBIT CLUES: VOLUNTEERS ROAM NEW HAMPSHIRE SEARCHING FOR RABBIT PELLETS

On a cold, steely February morning in Hudson, New Hampshire, a troop of 23 intrepid volunteers line up for a morning of outdoor recreation and data collection. There is a cheery, excited atmosphere. Given the task at-hand, it seems surprising to see so many smiles. This particular group of volunteers chose to dedicate their Saturday morning to collecting rabbit feces — as much as possible. In this case, 28 samples were taken. These stalwart people were taking part in the Stewardship Network: New England's annual Bunny Blitz. "New Hampshirans seem to be cut from a different cloth. They will take any excuse to get outside – especially after a long winter," said Malin Clyde, program manager at the Stewardship Network.





New England Cottontail | Credit: FWS PARTNERS FOR NEW HAMPSHIRE'S FISH AND WILDLIFE — 2016

EXHIBIT 2

Coos Loop Upgrade (North Country Reliability Project)

INTERNAL OWNER: Jerry Fortier (Eversoruce)

INTERNAL AND EXTERAL SUPPORT: Donna Gamache (Eversource), Erik Taylor (Elevare), Joseph Staszowski (Eversource)

DESCRIPTION/SCOPE

Messaging:

The Forward NH Plan facilitate access to existing renewable generation by increasing the export capacity of the Coos Loop such that 285MW of existing generation, including 265MW of renewables, operating under normal historical conditions will be able to operate nearly unrestricted. These upgrades will remove thermal limits that exist on the Coos Loop today and increase its transmission capabilities by 27%. Actual dispatch will be administered by ISO-NE.

Q. What is the cost of the Coos upgrade?

A. As part of the NPT project, the project will invest \$52M to upgrade 39 miles of 115 kV lines within the Coos Loop to support the construction of NPT. An additional \$1.2M investment from the Forward NH Fund would be required to complete the 115 kV thermal upgrades required.

Q. What does "nearly unrestricted" mean?

A. Under normal conditions, existing generation would be unrestricted. However, during limited periods of time when there are high wind, high water, and full bio-mass output conditions with high thermal temperature and low load on the Coos Loop, some generation may be restricted. However, this is not a likely event and is only expected to occur on a limited number of hours per year.

Q. How much additional generation would this unlock? A. In any given hour, this would allow 43-49 MW of additional existing generation to operate, as compared with current capability.

Q. What are the total MWs installed on the Coos Loop?

A. There are currently 282 MW of total generation interconnected to the Coos Loop, 265 MW are renewables, including wind, hydro and biomass.

Q. What will the upgrade do to the Coos Loop?

A. The transmission capabilities of the Coos Loop will be increased by 27% and constraints on existing, largely clean, generation will be removed.

Benefit of NPT Upgrades to the Coos Loop

Summary

The NPT AC project upgrades for the Coos 115 kV loop is approximately \$52M plus \$1.2M of additional 115 kV line upgrades (paid for by the Forward NH Fund) will increase the thermal capacity of the