

THOMAS B. GETZ
Direct Dial: 603.230.4403
Email: thomas.getz@mclane.com
Admitted in NH
11 South Main Street, Suite 500
Concord, NH 03301
T 603.226,0400
F 603.230.4448

May 4, 2017

Via Electronic Mail & Hand Delivery

Pamela Monroe, Administrator New Hampshire Site Evaluation Committee 21 South Fruit Street, Suite 10 Concord, NH 03301-2429

Re: 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 (the "Applicants") for a Certificate of Site and Facility

Objection to NEPGA Motion to Strike Power Purchase Agreement

Dear Ms. Monroe:

Enclosed for filing in the above-captioned docket, please find an original and one copy of the Applicants' Objection to New England Power Generators Association's Motion to Strike Power Purchase Agreement.

Please contact me directly should you have any questions.

Sincerely,

Thomas B. Getz

TBG:slb

cc: SEC Distribution List

Enclosure

STATE OF NEW HAMPSHIRE SITE EVALUATION COMMITTEE

SEC DOCKET NO. 2015-06

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

<u>APPLICANTS' OBJECTION TO NEW ENGLAND POWER GENERATORS</u> ASSOCIATION'S MOTION TO STRIKE POWER PURCHASE AGREEMENT

NOW COME Northern Pass Transmission LLC ("NPT") and Public Service Company of New Hampshire d/b/a Eversource Energy ("PSNH") (together, the "Applicants"), by and through their attorneys, McLane Middleton, Professional Association, and respectfully object to the Motion to Strike the Power Purchase Agreement between Eversource Energy and Hydro-Renewable Energy, Inc. and All Related Testimony and Evidence ("Motion") filed by New England Power Generators Association's ("NEPGA") dated April 24, 2017.

- 1. The Applicants filed an Application for a Certificate of Site and Facility with the Site Evaluation Committee ("SEC") on October 19, 2015, for a 192-mile electric transmission line with associated facilities ("Northern Pass" or "Project"). The Applicants represented at the time that a Power Purchase Agreement ("PPA") would be filed with the Public Utilities Commission ("PUC") that would provide \$100 million in benefits over 20 years to customers in New Hampshire.
- 2. On June 28, 2016, PSNH filed a petition with the PUC seeking approval of proposed ratemaking treatment for a PPA with Hydro Renewable Energy Inc. ("HRE"). The PUC issued an Order Dismissing Petition on March 27, 2017, finding that the proposed ratemaking treatment for the PPA was inconsistent with the Electric Utility Restructuring Statute, RSA Chapter 374-F. Specifically, the PUC found, at p.7, that:

Allowing Eversource to use the SCRC mechanism as a ratepayer financed "backstop" for its proposed 20-year PPA would serve as an impermissible intermingling of a generation activity with distribution rates.

On April 20, 2017, the PUC denied PSNH's motion for rehearing.

- 3. Senate Bill 128, passed by the New Hampshire Senate on March 30, 2107, is currently under consideration by the House. The Bill, if passed, would allow electric utilities to pursue measures to "mitigate the cost of electric service, reduce the price volatility of that service, and/or reduce the potential for disruptions in electricity supply," subject to a finding by the PUC that such measures are in the public interest. This legislation would, at least potentially, allow the PUC to reconsider its position.
- 4. Recognizing that the fate of Senate Bill 128 and its ultimate application to the subject PPA remains unclear, PSNH is currently considering alternatives to the use of the distribution rate structure for delivery of the benefits of the PPA to New Hampshire customers.
- 5. In its Motion, NEPGA asks the SEC to strike the PPA, supporting testimony and other references to it. It asserts that "this information, if not stricken from the record, will potentially mislead those reading it, including the Public, the parties and SEC members."
- 6. The Applicants disagree that anyone will be misled if references to the PPA are not immediately stricken. The SEC routinely considers issues on which multiple factors bearing on an issue must be taken into account. Here, the SEC has received the Applicants' testimony regarding the PPA, is aware of the dismissal of PSNH's petition for approval of the PPA at the PUC, the status of Senate Bill 128, and the Applicants' intent to seek a valid means of delivering the benefits of the PPA to New Hampshire customers. The SEC is well positioned to consider these factors in context and place appropriate weight on the testimony already presented on the potential benefits of the PPA.

WHEREFORE, the Applicants respectfully request that the Presiding Officer:

- (A) Deny NEPGA's Motion to Strike; and
- (B) Grant such further relief as it deems appropriate.

Respectfully submitted,

Northern Pass Transmission LLC and Public Service Company of New Hampshire d/b/a Eversource Energy

By Its Attorneys, McLANE MIDDLETON, PROFESSIONAL ASSOCIATION

Dated: May 4, 2017

Barry Needleman Bar No. 9446
Thomas Getz, Bar No. 923
Adam Dumville, Bar No. 20715
11 South Main Street, Suite 500
Concord, NH 03301
(603) 226-0400
barry.needleman@mclane.com
thomas.getz@mclane.com
adam.dumville@mclane.com

Certificate of Service

I hereby certify that on the 4th of May, 2017, an original and one copy of the foregoing Objection was hand-delivered to the New Hampshire Site Evaluation Committee and an electronic copy was served upon the SEC Distribution List.

Thomas B. Getz