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May 10, 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 Applicants' Supplement to Objection to NEPGA Motion to Strike PPA

Dear Ms. Monroe:

Enclosed for filing in the above-captioned docket, please find an original and one copy of the Applicants' Supplement to 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

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

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 file this supplement to their objection 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 a PPA with Hydro Renewable Energy Inc. ("HRE"). The PUC issued an Order Dismissing Petition on March 27, 2017, and denied PSNH's motion for rehearing on April 20, 2017.

3. On April 24, 2017, NEPGA asked the SEC to strike the PPA, supporting testimony and other references to it, asserting that "this information, if not stricken from the record, will potentially mislead those reading it, including the Public, the parties and SEC members." The Applicants objected on May 4, 2017, disagreeing that anyone will be misled if references to the PPA are not immediately stricken.

4. The Applicants file this supplement to their May 4, 2017 objection in order to provide a legislative update. Senate Bill 128, initially passed by the New Hampshire Senate on March 30, 2107, 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 Public Utility Commission that such measures are in the public interest. On May 9, 2017, the House Science and Technology Committee voted to retain the Bill. If ultimately passed, this legislation would allow the PUC to reconsider its position. ¹ Given the retention of Senate Bill 128, however, the Applicants recognize that this would not occur prior to the conclusion of the SEC's deliberations in this docket.

5. In the wake of this development, Hydro Quebec reaffirmed its willingness to honor the PPA. See Attachment A.

6. Accordingly, Applicants request that NEPGA's Motion to Strike PPA Testimony be denied and that the Committee exercise its discretion during deliberations to give the PPA testimony appropriate weight given the potential benefits of the PPA and the current status of the potential enabling legislation in the form of Senate Bill 128.

¹ The PUC did not find the fact that this legislation was being considered sufficient basis for granting the motion for rehearing.

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

By: Im ns Barry Needleman, Bar No. 9446

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Certificate of Service

I hereby certify that on the 10th day of May, 2017, an original and one copy of the foregoing Supplement was hand-delivered to the New Hampshire Site Evaluation Committee and an electronic copy was served upon the SEC Distribution List.

Thomas B. Getz

Dated: May 10, 2017

Attachment A

<u>NH House Committee Retains SB 128 for Further</u> Consideration

Posted on May 9th, 2017 by northernpass

Northern Pass Will Deliver Substantial Economic and Environmental Benefits to NH

(May 9, 2017) – The New Hampshire House Science, Technology and Energy Committee (ST&E) voted today, 20-1, to retain SB 128, a bill aimed at clarifying the authority of the NH Public Utilities Commission (PUC) under New Hampshire's electric restructuring law to consider opportunities by electric utilities to lower consumers' energy costs.

Clarifying the authority of the New Hampshire PUC to assess the benefits of such measures would ensure consideration of a power purchase agreement (PPA) between Public Service of New Hampshire (PSNH) and Hydro-Québec (HQ). The proposed PPA would provide 100 MW of favorably priced Northern Pass power to PSNH customers for 20 years.

Importantly, the PPA is not a requirement for state siting approval of Northern Pass by the New Hampshire Site Evaluation Committee. Rather, it was provided in response to New Hampshire stakeholders' requests for unique clean energy benefits from Northern Pass, above and beyond those received by other New England states.

"We understand the importance of considering this proposed legislation carefully," said Bill Quinlan, President of NH Operations at Eversource. "We are committed to continuing to work intently with the NH Legislature, the PUC, and other parties to identify solutions for delivering much-needed energy rate relief for our customers."

"We stand by our commitment to our New Hampshire neighbors, and look forward to delivering the benefits of the PPA in the future, should such an opportunity arise" said Steve Demers, Hydro-Québec's Vice President of Business Development.

The PPA is only one element of Northern Pass' robust Forward NH Plan, which will provide more than \$3 billion in benefits to New Hampshire. A significant component of this plan is an estimated \$600 million annually in regional energy cost savings separate and apart from the PSNH-HQ PPA. These savings result by adding a new and substantial supply of reliable power to the region's electric grid at Deerfield, NH, which results in a more competitive market and lowers wholesale energy power prices for all New England consumers. New Hampshire's share of this reduction is projected to be more than \$60 million a year.

The Forward NH Plan will also provide about \$30 million annually in new tax revenues, create about 2,600 construction jobs, and provide \$200 million in funding for community betterment, economic development, clean energy and tourism. Moreover, Northern Pass will reduce CO2 emissions by more than 3 million tons a year.

SB 128 will remain in the House ST&E Committee for further work and consideration this session. The Committee has until the end of 2017 to vote on the bill. SB 128 will then move to the full NH House of Representatives for a vote in January, at the start of its 2018 session.

Northern Pass is in the final stages of securing necessary state and federal permits, with decisions expected this year.