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Admitted in: NH

May 7, 2018

By Electronic Mail and First-Class Mail

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

Re:

Northern Pass Transmission LLC and Public Service Company of

New Hampshire d/b/a Eversource Energy

Docket No. 2015-06

Dear Ms. Monroe:

I have enclosed Dixville Capital, LLC and Balsams Resort Holdings' Statement in Support of the Applicants' Motion for Rehearing of Decision and Order Denying Application.

Thank you for your attention to this matter. Please contact me if you have any questions.

Very truly yours,

Mark E. Beliveau

MEB/kmd Enclosure

cc: SEC, 2015-06 Master Service List (by email)

PORTLAND, ME BOSTON, MA PORTSMOUTH, NH PROVIDENCE, RI AUGUSTA, ME STOCKHOLM, SE WASHINGTON, DC

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

DIXVILLE CAPITAL, LLC AND BALSAMS RESORT HOLDINGS' STATEMENT IN SUPPORT OF THE APPLICANTS' MOTION FOR REHEARING OF DECISION AND ORDER DENYING APPLICATION

Intervenors Dixville Capital, LLC ("Dixville Capital") and Balsams Resort Holdings, LLC ("BRH") (Dixville Capital and BRH are jointly referred to herein as the "Intervenors"), by and through their undersigned counsel, submit this statement in support of Northern Pass Transmission LLC and Public Service Company of New Hampshire d/b/a Eversource Energy's (collectively the "Applicants") Motion for Rehearing of Decision and Order Denying Application for Certificate of Site and Facility dated March 30, 2018 (the "Motion for Rehearing"). In support of the Motion for Rehearing, the Intervenors state as follows:

- 1. On February 1, 2018, a Subcommitte of the New Hampshire Site Evaluation Committee (the "Subcommittee" and the "SEC") denied the Applicants' joint application for a certificate of site and facility, after 70 days of hearings and 2.5 days of deliberations, followed by the issuance of the Order on March 30, 2018 (the "Order").
- 2. The Subcommittee reached its decision after deliberating on two of the four statutory criteria whether "(a) [t]he applicant has adequate financial, technical, and managerial capability to assure construction and operation of the facility in continuing compliance with terms and conditions of the certificate" and whether (b) "[t]he site and facility will not unduly interfere with the orderly development of the region with due consideration having been given to the views of municipal and regional planning commissions and municipal governing bodies." RSA 162-

- H:16, IV (a), (b). The Subcmittee did not deliberate on the remaining two statutory criteria regarding impact on "aesthetics, historic sites, air and water quality, the natural environment, and public health and safety," as well as whether "[i]ssuance of a certificate will serve the public interest." RSA 162-H:16, IV (c), (d).
- 3. Thus, the Subcommittee did not consider suggestions by Counsel for the Public concerning conditions that might be imposed in connection with a certificate, or the manner in which the Applicant's creation of the \$200 million Forward NH Fund might have been utilized to address and mitigate concerns regarding the Applicants' Project.
- 4. The Intervenors support the conditions developed and proposed by the Applicants, specifically referenced in Exhibit A, Exhibit B and Exhibit C to their Motion for Rehearing. These conditions have been developed by Counsel for the Public in good faith collaboration with the Applicants to responsibly address and mitigate concerns raised during the SEC process, and in an effort to successfully complete the SEC process.
- 5. The Subcommitte failed to consider the imposition of conditions in connection with issuing a certificate, as reflected by Commissioner Bailey's following comments on Day 3 of Deliberations: "And I'm worried that if we continue with our deliberations, we will really need to figure out what conditions we would impose on a lot of things. And that's not that's not going to be simple and it's not going to be fast."
- 6. That consideration of conditions may not have been a "simple" or "fast" process does not excuse the SEC's failure to do so. Intervenors acknowledge the magnitude of the Application and the considerable time and effort that all parties, including the Subcommittee, put into this process over the past two-plus years, which makes its failure to complete its evaluation of the Application, including the consideration of the proposed conditions, most troubling.

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- 7. The Subcommittee's decision to deny the Application largely focused on the potential negative impacts on tourism, but it pointed to no specific evidence to substantiate this decision. It gave more weight to the opinions of individuals on this topic, rather than relying on expert testimony and reports on this matter.
- 8. Specifically, overlooking expert testimony and reports presented by the Applicants and Counsel for the Public, the Subcommittee stated that, "[w]ithout credible and reliable reports and expert testimony the Subcommittee cannot make a reasoned determinatation and cannot consider conditions that might mitigate or abrogate negative impacts of tourism." Order at 227. Intervenors agree with the Applicants that the Subcommittee did not consider the "Economic Impact Analysis and Review of the Proposed Northern Pass Transmission Project" report prepared by Kavet, Rockler and Associates, or the study provided by the Counsel for the Public.
- 9. Further, Intervenors are troubled that the Subcommitte failed to meaningfully consider the Pre-Filed Direct Testimony and Supplemental Pre-Filed Direct Testimony of Leslie Otten on behalf of Dixville Capital and BHR, as well as Mr. Otten's testimony on behalf of Dixville Capital and BHR provided at the October 6, 2017 Adjudicatory Hearing. Regardless of whether Mr. Otten qualifies as an "expert witness," his testimony spoke to his 40-plus years of experience in the resort, real estate, and tourism industruies (most recently as it relates to the large-scale redevelopment currently underway at the Balsams Resort in Dixvlle, NH), thereby qualifying him to testify with authority and credibility on these subjects. In his testimony, Mr. Otten addressed the impact of the visibility of high-voltage transmission lines from other resort projects with which he he had been affiliated, in addition to any current impact the NPT proposed route was having on the Baslams Resort sales effort. This testimony should have been given proper consideration.

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- 10. Had the Subcommittee considered the remaining two statutory criteria, it would not have overlooked the numerous benefits associated with the Applicants' Project, including increased energy capacity, increased renewable energy production, reduction of CO² emissions, and job creation associated with the Project's projected construction. Further, the Forward NH Plan, which BRH has benefited from to date, was slated to support the sectors of clean energy innovation, economic development, community investment, and tourism. If the Motion for Rehearing is not granted, these benefits may be lost, harming not only the Applicants, but also many residents and businesses within the State.
- 11. Specifically, this Subcommittee's decision will adversely impact the Balsams Resort redevelopment effort underway in Dixville, NH, in the following manner:
 - a. NPT was slated to provide 1,090 MWs of clean, renewable power which would be of tremendous benefit to the Balsams as it will require a substantial and reliable source of power in order to maintain operations. This is of critical importance when much capacity is currently being retired, or is slated to be retired in the coming years, thus creating the potential, as was seen with the recent cold snap last December, for insufficient power being available.
 - b. The Balsams Resort master plan involves a focus on all things sustainable, and having NPT transmitting clean hydro power into our region provided a great synergy to this plan, reducing our reliance on fossil fuel.
 - c. NPT was estimated to reduce the cost of power to New Hampshire residents and businesses, and this would have had a positive impact on the Balsams Resort operations, where power consumption is expected to be one of the largest expenses.

- d. NPT was estimated to create in excess of 2,600 jobs during construction. These employment positions being available in Coos County, where they are much needed, would have had a tremendous impact on retaining and attracting a skilled work force in the area, which would have been significant to the Balsams, as when construction begins, 600 construction jobs will need to be filled. Further, once operational the Balsams is expected to employ approximately 400 individuals directly on-site. The multiple years of construction that both the NPT and the Balsams projects represents, means the higher likelihood that a strong work force will be in place once operations begin. Further, this increase in job creation would have benefitted the surrounding communities in tangible ways as a result of an increased need for housing, services, and other indirect activities.
- e. The Balsams was a recipient of funds from the Forward NH Fund, which were instrumental in advancing its development efforts, and demonstrated a true commitment by the Applicant to promote tourism and facilitate economic development in the North Country. The denial of NPT's application will result in losing the benefits of the proposed Forward NH Fund, and the key commitments made by the Applicant relating to tourism, recreation, economic development and energy cost benefits to businesses and residents.
- 12. Therefore, the Intervenors support the Applicants' Motion for Rehearing and respectfully request that it be granted in full. Additionally, the Intervenors respectfully request that the Subcommittee consider vacating the decision to deny the application and resume its deliberations on all the required statutory considerations, for the reasons provided herein.

WHEREFORE, Intervenors Dixville Capital, LLC and Balsams Resort Holdings, LLC, respectfully request that the Presiding Officer:

- A. Grant the Applicants' Motion for Rehearing, dated April 27, 2018, in its entirety; and
 - B. Grant such further and other relief as may be just and appropriate.

By:

Respectfully Submitted,

Dixville Capital, LLC and

Balsams Resort Holdings, LLC

By their attorneys,

Pierce Atwood LLP

Dated: May 7, 2018

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Certificate of Service

I hereby certify that on this 7th day of May, 2018, I caused a copy of the foregoing document to be served by electronic mail on persons designated on the Service List of this Docket.

Mark F Beliveau