

**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**

April 25, 2017

**ORDER ON MOTION TO TEMPORARILY
SUSPEND DELIBERATIONS PURSUANT TO RSA 162-H:14**

This Order memorializes the Subcommittee's decision to deny the Intervenor's Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14.

I. Background

Almost 11 months ago, on May 19, 2016, the Subcommittee conducted a public hearing. During the hearing, the Subcommittee voted to grant in part, and deny in part, Motions to Suspend the 365-day time frame set forth in RSA 162-H:7, IV-d that had been filed by various Intervenor's in this docket. On June 15, 2016, the Subcommittee issued an Order memorializing that vote. In the Order, the Subcommittee decided that the final decision denying or granting the Applicant's request for a Certificate of Site and Facility should be issued by September 30, 2017. *See* Order on Motions to Suspend (June 15, 2016).

On March 1, 2017, an Order on Pending Motions (Procedural Order) was issued in this docket. Pursuant to the Procedural Order, Final Adjudicative Hearings will begin on April 13, 2017. Following the issuance of the Procedural Order, the Subcommittee received the following pleadings:

- Municipal Intervenor Groups' 1 South, 2, 3 South and 3 North (Intervenor's) Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14 (March 29, 2017);

- Addendum to Motion to Temporarily Suspend Deliberations (March 30, 2017);
- Applicant’s Objection to Motion to Suspend Deliberations (March 31, 2017);
- Joinder of the Society for the Protection of New Hampshire Forests to Municipal Intervenor Groups 1 South, 2, 3 South, and 3 North Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14 (April 3, 2017);
- Supplement to Applicant’s Objection to Motion to Suspend Deliberations (April 3, 2017); and
- Counsel for the Public’s Response to Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14 (April 5, 2017).

A hearing was held on April 6, 2017, on the pending motions, including the Intervenors’ Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14. This Order memorializes the Subcommittee’s decision.

II. Positions of the Parties

The Intervenors request that the Subcommittee temporarily suspend the September 30, 2017, decision date and the adjudicative hearings. The Intervenors argue that the requested suspension is in the public interest. Specifically, the Intervenors claim that suspension is in the public interest because press reports regarding Hydro-Quebec (HQ) indicated that: (i) HQ will not pay any costs to bury the Project in New Hampshire; and (ii) HQ will honor its obligations under the Transmission Service Agreement to provide payment to the Applicant only if and when it makes a sufficient profit from the sale of energy into the New England market. The Intervenors also argue that the Applicant failed in its bid to sell electricity as part of the Tri-State Clean Energy RFP. The Intervenors acknowledge that the Applicant intends to submit a bid with the Massachusetts Clean Energy RFP, and that a decision on the bids will occur by late fall of 2017. According to the Intervenors, considering the recent comment by Hydro-Quebec, if the Project is not selected, Hydro-Quebec will not comply with the Transmission Service Agreement

and, consequently, will jeopardize the Applicant's financial ability to construct and operate the Project in accordance with the Certificate.¹ The Intervenor claim that the public interest requires that the Subcommittee suspend the September 30 deadline and the adjudicative hearing in this docket pending the Massachusetts Clean Energy RFP determination.

The Applicant objects to the relief sought by the Intervenor. The Applicant argues that the suspension requested by the Intervenor is not warranted. The Intervenor will have an opportunity to verify and test the status of the Transmission Service Agreement, Hydro-Quebec's commitment to enforce the agreement, and the Applicant's financial capacity to construct and operate the Project during the adjudicative hearing. The Applicant further asserts that, contrary to the Intervenor's claims, the Transmission Service Agreement remains in full force and effect.

Counsel for the Public shares the concerns expressed by the Intervenor. Counsel for the Public, however, does not agree that the Subcommittee should suspend the September 30, 2017, deadline and adjudicative hearing. Instead, he asserts that he will verify his concerns and the Applicant's ability to construct and operate the Project during the adjudicative hearing scheduled in this docket.

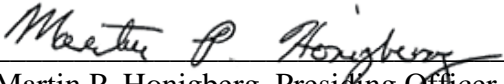
III. Analysis

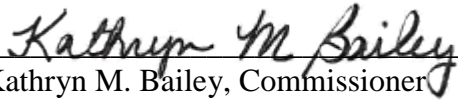
RSA 162-H:14 provides that the Subcommittee may temporarily suspend its deliberations if it finds that a suspension is in the public interest. The Subcommittee is required to consider all

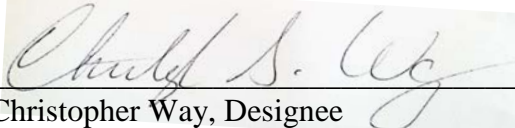
¹ The Applicant claimed that it will have sufficient financial capacity to construct and operate the Project in accordance with the Certificate based on the following: (i) the financial strength of NPT's principal, Eversource; (ii) the Transmission Service Agreement executed between the Applicant and Hydro Renewable Energy Inc.; and (iii) the financial strength of Hydro Renewable Energy's principal, Hydro-Quebec. Pre-Filed Testimony, Michael J. Ausere, at 2. According to the Applicant, NPT will begin receiving revenue for Hydro Renewable Energy Inc. under the Transmission Service Agreement once the Project commences operations. App., at 52. The Applicant claims that NPT's capital structure under the Transmission Service Agreement will provide for strong cash flow credit metrics which, in turn, will allow NPT to achieve its investment grade credit rating that will allow it to access the public bond markets. App., at 51; Pre-Filed Testimony, Michael J. Ausere, at 8.


evidence and testimony while deciding whether to issue the Certificate. The Certificate will not be issued if the Applicant fails to carry its burden of proof or fails to demonstrate that the proposed Project complies with the statutory requirements. Information regarding the Hydro-Quebec commitments and status of the Transmission Service Agreement may be relevant. It may be addressed and brought to the Subcommittee's attention during the adjudicative hearing by the parties. It is not, however, in the public interest to suspend the September 30, 2017 deadline and adjudicative hearing in this docket based on limited information that may or may not affect the Applicant's ability to site, construct, and operate the Project in accordance with the Certificate. The Motion to Temporarily Suspend Deliberations Pursuant to RSA 162-H:14 is denied.

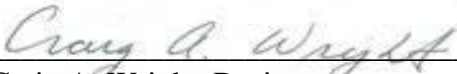
SO ORDERED this twenty-fifth day of April, 2017 by the Site Evaluation Subcommittee.

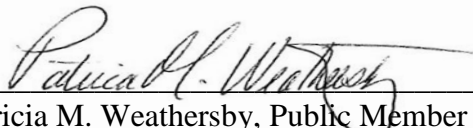

Martin P. Honigberg, Presiding Officer
Site Evaluation Committee
Commissioner and Chair
Public Utilities Commission

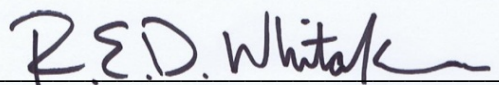

Kathryn M. Bailey, Commissioner
Public Utilities Commission


Christopher Way, Designee
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Department of Resources and Economic
Development


William Oldenburg, Designee
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