

It's now up to the SEC to Determine the Fate of Northern Pass

By Marc Brown

The New Hampshire Site Evaluation Committee recently decided to extend the time frame for a ruling on the Northern Pass project for an additional nine months, which is nine months longer than state law allows. The rules and timeframe codified in law were the result of a legislative process that was painstakingly inclusive, encompassing a diverse and representative group of stakeholders including utilities, environmental organizations, business groups and ratepayer interests.

The two hundred and twenty-nine page “Raab Report”, produced by a consultant, was the byproduct of five citizen workshops, seven focus groups and a “Coordinating Committee”—with the intent to make recommendations to the legislature regarding the SEC. These recommendations were in part used to draft SB 245, amend the bill, work through passage and enact the law. As part of the process, language in RSA 162-H:7 clearly states that, “Within 365 days of the acceptance of an application, the committee shall issue or deny a certificate for an energy facility”.

This language was agreed upon by most of the participants in the process. But despite signing off on the timetable in the law, many of the project intervenors demanded an immediate extension. The SEC has chosen to violate the law to appease them.

Extending the time frame now is not only inconsistent with state law, but also lacks common sense. Should the SEC at any time during the proceedings determine that it is in the public interest to extend the time frame, it can suspend deliberations under RSA 162-H:14. The law was designed to allow that flexibility. But extending the deadline now, before the process has even started, is unnecessary and sets a terrible precedent that will be used to impede future energy projects.

The argument made by the SEC to extend the time frame may seem reasonable—that project intervenors need more time to obtain additional information and data provided by Northern Pass project developers and its attorneys. The problem is that much of the data requests are beyond absurd and the SEC should have seen this coming. Here are just a few samples of the vital information requested (quoted directly from the requests):

- Please produce a list of all trees of greater than 2 inches trunk diameter that Applicants will need to cut down, remove, or trim in order to install the proposed power transmission line along the affected State highways.
- Please provide the elevation above sea level at the base of all Project structures between and including Plymouth and Deerfield.
- Concern and uncertainty about the potential impacts of the proposed Project have subjected many North Country residents to stress. Please provide all studies conducted on behalf of the Applicant regarding stress and anxiety in the resident population.
- We have proof that the proposed Project has reduced the value of some of our real property, causing us to be *de facto* investors in the project. Please provide transcripts of all proceedings at which the Applicant was given the right to force us to invest in the Project against our will, without any promise of compensation.

Of course, many reasonable data requests were made regarding potential impacts project construction may have on aquifers, existing infrastructure and traffic—and those questions deserve and will receive answers; but there certainly was no need to extend the time frame by nine months, circumventing state law and causing delay to a project that will contribute to the replacement of 25% of the regions base load power capacity. If six to nine months into the process the SEC determined that reasonable and necessary information still needed to be provided and assessed, they could have made an extension announcement at that time. Requests like those above show the SEC decision to be premature, reactive and not well thought out.

There is little question that large-scale hydroelectricity is going to be an important part of our future baseload power supply. The New Hampshire SEC has taken the first step in determining if and how that future power is delivered and at what expense to ratepayers. The reality is that unduly delaying Northern Pass will negatively impact New Hampshire ratepayers. The capacity market impact alone could be tens of millions of dollars per year. The SEC's decision to extend this timeframe has sent the wrong message to not only developers of energy infrastructure, but also to the larger business community that solving the problem of high electricity prices that has contributed to a 25% loss in manufacturing jobs is not a priority of the SEC. Is it any wonder that companies like Foss and Sturm, Ruger & Co. have expanded to low-cost electricity states like Georgia and North Carolina? The SEC should contemplate what happens if a company like Charlestown's Whalen Manufacturing packs its bags taking a thousand jobs with it, and reconsider this extension.

Marc Brown is the Executive Director of the New England Ratepayers Association, the non-profit dedicated to protecting ratepayers in New England