



54 Hanover Street
Manchester, NH 03101

Office: 603.666.6600
Fax: 603.626.0910

www.manchester-chamber.org

November 22, 2016

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

Dear Site Evaluation Committee,

We would like to thank Counsel for the Public, Peter Roth, for taking the time to meet with members of the Greater Manchester and Nashua business community to explain the Site Evaluation process and update us on Northern Pass. We appreciate that he realizes that he represents all the NH public and that the potential impacts, both positive and negative, go beyond the 32 communities that will host the transmission line.

Those of us who attended the Manchester meeting on Monday October 31, 2106, raised some important points that we believe the Site Evaluation Committee should consider while evaluating the Northern Pass project.

There is a sense of urgency among businesses both large and small because of the precarious nature of the New England electrical energy supply situation. Coal, oil and nuclear power plants are retiring leaving only gas fired plants as the baseload fuel source. Natural gas supply capacity into New England is limited which can result in very high electric prices and potential power shortages during the cold winter months when the priority for gas is heating.

The situation is already a problem today. New England electric energy costs are currently 40% - 50% higher than the national average, making it difficult to attract and retain good paying manufacturing jobs in the region. One existing large New Hampshire manufacturer attending the meeting stated that they will do no further expansion in until energy costs are under control.

Another significant concern is that existing companies will move out of the region resulting in the loss of jobs and tax revenue for the state. One meeting attendee pointed out that the current New England market situation is already having a negative impact on electric costs. He said that the capacity costs that are paid to power plants by ISO NE will add 1 cent per kilowatt hour to electric costs this winter and another penny per kilowatt hour next year.

Attendees of the roundtable also raised concerns regarding the expected length of SEC process. While all stakeholders understand that the review of project like Northern Pass by the SEC should be thorough, comprehensive and include ample opportunities for public input, there were concerns raised that the process may end up taking two years or more, which is well beyond the normal SEC timeline of nine months.

The point was made that, while the “open market” should react once electric prices rise and new electric supply should theoretically come on board, this is not happening. Virtually all natural gas pipeline projects that have been proposed into New England have failed to materialize and no other major new electric supply option, other than Northern Pass, is being seriously considered.

While we understand that the Northern Pass project will not solve the entire New England electric energy problem, we do believe that it is an important part of the solution. We urge you to consider all aspects of the Northern Pass project including the benefits that it will bring to all the citizens, cities, towns and businesses of New Hampshire through lower electricity costs and a diversity of electrical supply.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Skelton", with a long horizontal flourish extending to the right.

Michael Skelton
President & CEO

CC: Peter Roth