BIANCO PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW
18 CENTRE STREET

CONCORD, NEW HAMPSHIRE 03301-6315

JAMES J. BIANCO, JR.
LISA A. RULE
THOMAS P. COLANTUONO
STEPHEN R. GOLDMAN
CRYSTAL M. MALDONADO
JASON B. DENNIS
JAMIE S. MYERS

TELEPHONE
603-225-7170
FACSIMILE
603-226-0165
TOLL FREE
800-262-8112

November 15, 2016

Via In-Hand Delivery & Electronic Mail

Pamela Monroe, Administrator New Hampshire Site Evaluation Committee 21 South Fruit Street, Suite 10 Concord, NH 03301-2429

Re:

Site Evaluation Committee Docket No. 2015-16

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

Pre-Filed Testimony of Allen Bouthillier on Behalf of the Coos

County Business and Employers Group

Dear Ms. Monroe:

Enclosed for filing with the New Hampshire Site Evaluation Committee in the above-captioned docket, please find the Pre-Filed Testimony of Allen Bouthillier on behalf of the Coos County Business and Employers Group and a corresponding certificate of service.

Should you have any questions please do not hesitate to contact my office. Thank you for your assistance.

Sincerely yours,

James J. Bianco, Jr.

/jsm

cc: SEC Distribution List

Enclosure

THE STATE OF NEW HAMPSHIRE

BEFORE THE

NEW HAMPSHIRE SITE EVALUATION COMMITTEE

DOCKET NO. 2015 - 06

PRE-FILED TESTIMONY OF ALLEN BOUTHILLIER ON BEHALF OF THE COOS COUNTY BUSINESS AND EMPLOYERS GROUP

IN SUPPORT OF THE
APPLICATION OF NORTHERN PASS TRANSMISSION LLC
AND PUBLIC SERVICE COMPANY OF NEW HAMSPHIRE
D/B/A EVERSOURCE ENERGY
FOR A CERTIFICATE OF SITE AND FACILITY TO CONSTRUCT A NEW
HIGH VOLTAGE TRANSMISSION LINE AND RELATED FACILITIES IN
NEW HAMPSHIRE

November 15, 2016

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and Employers Group (CCREG). Its address is 653 Main Street, Lancaster, New Hampshir

Please state your name, group affiliation, and group address.

and Employers Group (CCBEG). Its address is 653 Main Street, Lancaster, New Hampshire

My name is Allen Bouthillier, and I am testifying on behalf of the Coos County Business

Q. What is the purpose of your testimony?

A. The CCBEG is an intervenor group in this matter, and it supports the Northern Pass

Transmission Project ("Northern Pass" or the "Project"). This testimony explains how, from the

CCBEG members' perspectives as residents and business owners in Coos County, the Project

will benefit the public by providing local economic opportunities necessary for sustaining the

vitality of Coos communities.

Q. Please summarize your relevant background and experience.

A. The North Country has been my family's home all our lives. I was born and raised in

Coos County, as were my two children. My kids earned their college degrees at the University of

New Hampshire, and they were fortunate enough to have the opportunity to return to the North

Country to make a living in our family business.

I have over 30 years of business experience in the North Country. In 1984, I began my

business career in Coos County by founding A.B. Skidding in Colebrook, New Hampshire,

which performed logging services. This business expanded quickly, and in 1994, I moved my

business to Lancaster, New Hampshire, and diversified my business ventures by founding A.B.

Logging, Inc., A.B. Trucking, Inc., A.B. Gravel & Aggregates, Inc., and A.B. Excavating, Inc.

These businesses work throughout the Great North Woods region, and they provide excavation,

trucking, logging, demolition, site work, aggregate, and other similar services to all of New

Hampshire and Vermont.

Participating in the North Country logging industry has been a particularly large part of my business since the beginning. In addition to performing harvesting services, I also own private timberland, which I aim to keep economically viable by diversifying its uses. For example, these lots can support and provide new opportunities for generating renewable energy. These lots generate profit by supplying wood to fuel residential homes and the biomass power plant in Berlin, New Hampshire. Similarly, I have leased portions of these lots for the siting of wind turbines.

As a lifelong resident of Coos County, I cherish the way of life it provides, and I want to ensure my kids and others have the same opportunity for that way of life in the future. Therefore, my personal goal in business is to support and grow our local economy so it can provide good job opportunities and support vibrant communities. I have been fortunate to grow these businesses to allow them to pay good wages to 25 full-time employees. It is important to me to ensure my employees' families can rely on my businesses to provide them the opportunity to make a decent living in the North Country, which in turn supports other local businesses and families to allow our communities to thrive.

Q. Please explain the CCBEG's background and purpose.

A. The CCBEG is a New Hampshire non-profit, voluntary corporation that seeks to encourage and cultivate economic development and opportunities across all business sectors—including, but not limited to, manufacturing, forestry, construction, technology, hospitality, and recreation—for the promotion of the growth and prosperity of cities, towns, villages, and unincorporated locations in Coos County, New Hampshire. All of the CCBEG's members live in Coos County and are active in the local economy. Many members also have families and want

Coos County is fading due to significant local economic challenges.

Based on the CCBEG members' experiences, what economic challenges do

what is best for their kids. But the promise of a quality lifestyle and businesses opportunities in

Q. Based on the CCBEG members' experiences, what economic challenges do businesses and families face in Coos County?

A. Members of the CCBEG live, raise families, and operate businesses in Coos County, so we are very familiar with the challenges of operating successful businesses capable of sustaining the vibrant rural communities and job opportunities necessary for North Country families to maintain a good quality of life.

One significant challenge for cultivating economic development in the North Country is its aging infrastructure. Many local communities are unable to maintain adequate infrastructure because small tax bases resulting from sparse and often low-income populations. Simple examples of how infrastructure affects economic opportunities are roads incapable of travel by loaded trucks.

Of course, as a rural economy, Coos County's primary economic challenge is the interplay of declining population and declining job opportunities affording decent wages, which decreases both the vitality of our communities and the ability of local business to generate profit from within the community. Therefore, Coos County businesses must create business models capable of bringing in money from outside the local economy, which they can then inject into the local economy, largely in the form of employees' wages. When Coos County businesses can do this, they provide good jobs to combat population decline and increase community prosperity.

This dynamic has played out in my own family. My kids graduated from college and returned to Coos County because our family business has been able to create job opportunities that afford them a satisfying lifestyle close to their family. In turn, my kids' work ethic and

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education improves both my business and the vitality of our rural community. Unfortunately, many of their high school classmates have not been able to return home because of a lack of job opportunities. If other kids had opportunities like my kids, the North Country economy would grow and sustain prosperous local communities.

There is research from the UNH Carsey School of Public Policy that supports the CCBEG's assessment of challenges to the local economy. Much of the research comes from a 10-year study of Coos County youth that focused on their perception of educational and job opportunities in Coos County and their decisions to stay or move away. Young people in areas of Coos County with big job losses reported that they did not feel they could get ahead with hard work if they stayed in the area. One part of the study asked participants from Coos County students who graduated in 2009 whether they believed it was easy for people their age to find a job in Coos County. The number of students responding positively decreased from 67 percent in 2008, to 39 percent in 2009, and to 19 percent in 2011. Additionally, despite 93 percent of participants wanting to live close to family, the lack of rewarding educational opportunities in Coos County means many young people move away for other educational opportunities. Fifty-two percent of participants said they were unlikely to remain in their community for most of their lives, and one-third said they were likely to leave and never return.

¹ Michael S. Staunton & Eleanor M. Jaffee, *Key Findings and Recommendations from the Coos Youth Study*, Carsey Research Regional Issue Brief No. 41 (Summer 2014), http://scholars.unh.edu/cgi/viewcontent.cgi?article=1219&context=carsey.

² Erin Hiley Sharp, *Youths' Opinions About Their Opportunities for Success in Coos County Communities*, Carsey New England Fact Sheet No. 6 (Fall 2012), http://scholars.unh.edu/cgi/viewcontent.cgi?article=1176&contex t=carsey.

³ Eleanor M. Jaffee, *Coos County's Class of 2009: Where are They Now?*, Carsey New England Issue Brief No. 31 (Summer 2012), http://files.eric.ed.gov/fulltext/ED535959.pdf.

⁴ Nena Stracuzzi, *Youth Aspirations and Sense of Place in a Changing Rural Economy: The Coos Youth Study*, Carsey New England Issue Brief No. 11 (Winter 2009), http://scholars.unh.edu/cgi/viewcontent.cgi?article=1060&context=carsey.

Another research project from UNH surveyed North Country residents in 2010 to examine local social and economic changes.⁵ It found residents were becoming increasingly concerned about the lack of job opportunities and population decline. Despite these economic challenges, residents reported wanting to remain in Coos County because of its quality of life, natural beauty, recreational opportunities, and proximity to family. Accordingly, 60 percent of respondents felt encouraging new economic opportunities was a greater priority than preserving the traditional character of the local communities. The vast majority thought developing tourism and recreation and maintaining the traditional forest-based industry was very important for the region's economic future, and 55 percent saw wind-powered energy generation as very important.

- Q. How will Northern Pass help the local economy overcome these challenges?
- A. The members of the CCBEG believe Northern Pass would provide invaluable economic benefits, both short- and long-term, as well as recreational and environmental benefits, that would directly address local economic challenges by creating jobs, retaining population, and enhancing the quality of life in the North Country.
- Q. What short-term economic benefits does the CCBEG anticipate Northern Pass will bring to the North Country?
- A. The primary short-term economic benefit is the creation of business opportunities for North Country businesses. Construction of Northern Pass will necessarily require the performance of a variety of jobs, including logging, excavating, gravel, trucking, and utility work. Northern Pass estimates construction will create 2,600 new jobs in New Hampshire.

⁵ Chris R. Colocousis & Justin R. Young, *Continuity and Change in Coos County: Results from the 2010 North Country CERA Survey*, Carsey New England Issue Brief No. 26 (Summer 2011), http://scholars.unh.edu/cgi/viewcontent.cgi?article=1142&context=carsey.

Significantly, Northern Pass has promised to hire New Hampshire workers first, and the North Country has a number of very qualified businesses to fulfill those services. The opportunity to do so would be significant for those local businesses because it would allow them to hire more employees and pay them good wages. As previously discussed, successful local businesses that can provide good employment directly affects local community vitality and improves the local economy.

- Q. What long-term benefits does the CCBEG predict the Project will bring to Coos County?
- A. The CCBEG sees four primary long-term economic benefits: increased tax revenues, upgraded roads, upgraded energy infrastructure, and investments through the Forward NH Fund and the North Country Job Creation Fund to improve the economic condition of North Country communities.

First, as previously discussed, many Coos County communities have small tax bases resulting from sparse and often low-income populations. The Project will increase local tax revenues and allow those communities to use the tax dollars for community improvements that keep rural communities vibrant and encourage economic opportunity. For example, communities could use these revenues to improve roads or build community spaces that enhance residents' quality of life. Increased tax revenue also benefits local landowners by reducing their property tax burden. This is especially helpful for businesses in Coos County that hold large tracts of private timberland.

Similarly, as a necessary part of construction, Northern Pass has agreed to complete road work on certain roads at its own expense. Old and insufficient roads are a significant economic challenge for North Country businesses, but improving those roads is expensive, and local

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communities are often forced to prioritize other needs in their budgets. Improved roads would be an important benefit for many North Country businesses as many involve trucks and other types of large equipment that require upgraded roads.

The Coos Loop is another upgraded infrastructure promise that is critical for the future of the North Country economy because it would enable increased development of renewable energy in the North Country, which would in turn create diverse local economic opportunities for the support of renewable energy. The Coos Loop is an existing transmission system that is at capacity, which prohibits any more renewable energy projects in the North Country. But if Northern Pass upgrades the Coos Loop to increase its transmission capacity, the North Country can reach its potential for renewable energy, including increasing output from the Berlin biomass power plant and constructing new wind energy and solar power facilities. Local businesses would benefit economically from the steady income earned by providing wood fuel to the biomass power plant or leasing land to or investing in wind and solar power facilities. As discussed above, my business has already successfully incorporated opportunities like these, but increasing these opportunities will create long-term, steady business for more local businesses.

Finally, investments through the Forward NH Plan, specifically the Forward NH Fund and the North Country Job Creation Fund, are incredible long-term economic opportunities for North Country businesses and communities. The Forward NH Fund supports programs for community improvement, expanding tourism, and economic development. Similarly, the North Country Job Creation Fund provides economic opportunity through job creation, training, and retention programs. It is important because it directly addresses the interplay of declining population and declining job opportunities, Coos County's primary economic challenge. The Job Creation Fund has already funded a \$61,000 construction excavation simulator for the Career

and Technical Education Center at the White Mountains Regional High School. This simulator is an important educational and training opportunity for both kids and adults because it makes them marketable for good-paying jobs in the North Country's forestry and construction industries without having to move out of Coos County. It also benefits local businesses because businesses do not have to forego revenue by decommissioning real equipment for training employees. Creating these kinds of opportunities is critical because people earn higher wages than they would in the tourism service industry.

- Q. Does the CCBEG anticipate any recreational benefits for Coos County residents as a result of the Project?
- A. Yes. Snowmobiling and ATV recreation are popular activities for both Coos County residents and tourists, and trail networks for these activities provide valuable tourism opportunities and enhance the quality of life for residents. Coos County is already the home of an extensive network of snowmobile and ATV trails, but the Project's right of way could create new riding areas or connect existing trails. This has actually happened in Vermont in a similar right of way, and it has become a successful riding corridor.
- Q. As several CCBEG members have substantial forestry experience in Coos County, does the CCBEG anticipate any environmental benefits in Coos County due to the construction of the Project?
- A. Yes. Participating in the North Country logging industry has been a particularly large part of my career. As a lifelong resident of Coos County, my goal in harvesting has always been to balance the need to create and support local jobs and the need to sustain the forests we live in and rely on economically and recreationally. Accordingly, I have tried to learn and implement forest management and harvesting practices that ensure healthy forests. One aspect of these

practices involves understanding how forest management or harvesting will affect different species of flora and fauna. Of particular interest is the importance of forest disturbance to maintain habitat and species diversity. These disturbances allow the forest to regenerate, and each stage of regeneration—known as forest succession—supports different types of flora and fauna. While some disturbance occurs naturally, proactive forest management, like timber harvesting, is also valuable to stop the decline of some species of flora and fauna, and it has the advantage of serving specific land management goals. Harvesting trees to construct Northern Pass and subsequent management of the right of way would create valuable habitat for species that thrive in early succession forests.⁶

Q. Do members of the CCBEG think the Project will negatively affect the area aesthetically?

A. No. The North Country is beautiful. Like other local residents, we truly appreciate the scenic landscape we live in. Of course, we also recognize that other necessary and important structures—such as power lines, cell phone towers, and roads—already exist in our landscape and go virtually unnoticed. Moreover, the valuable economic benefits that the Project will bring to Coos County easily outweigh any aesthetic impact.

Q. Is it the CCBEG's opinion that Northern Pass is in the public interest?

A. Yes. The members of the CCBEG believe the Project is in the public interest because it would provide economic benefits, both short- and long-term, as well as recreational and environmental benefits, that would directly address local economic challenges by creating jobs, retaining population, and enhancing the quality of life in the North Country. It would ensure the

⁶ United States Department of Agriculture Forest Service, *Northeastern Forest Regeneration Handbook: A Guide for Forest Owners, Harvesting Practitioners, and Public Officials*, http://www.na.fs.fed.us/stewardship/pubs/NE_forest_regeneration_handbook_revision_130829_desktop.pdf.

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Q. Do

preservation of an economy and communities that can sustain and improve quality of life in the North Country. While some of our neighbors have concerns about the Project, the folks with Northern Pass have gone out of their way to address those concerns, and the Project's benefits easily outweigh any perceived negative aesthetic impacts. Therefore, the CCBEG concludes the Project is in the public interest and supports Northern Pass.

- Q. Does this conclude your pre-filed testimony?
- A. Yes.

Certificate of Service

I hereby certify that on the 15th of November, 2016, an original and one copy of the foregoing Pre-Filed Testimony was hand-delivered to the New Hampshire Site Evaluation Committee and an electronic copy was served upon the SEC Distribution List.

James J. Bianco, Jr.