

"The Three Rivers City"

316 Central Street Franklin, NH 03235 (603) 934-3900 fax (603) 934-7413 cityhall@franklinnh.org

January 11, 2017

Pamela G. Monroe, Administrator NH Site Evaluation Committee (SEC) 21 South Fruit Street, Suite 10 Concord, NH 03301

> Re: NH Site Evaluation Committee - Northern Pass Transmission Docket No. 2015-06

Dear Ms. Monroe:

I am forwarding my "Prefiled Testimony of Elizabeth A. Dragon". I realize I am a little late. However, I do not believe any reader will be surprised with my testimony, as it is based on my Motion to Intervene and my letter dated December 18, 2015 to you.

I am happy to answer questions whenever you deem appropriate.

Sincerely yours,

light A. Drogan

Elizabeth A. Dragon Franklin City Manager

| 1 | Q. | Please state your name, title, and business address. | |
|----|--|--|--|
| 2 | A. | My name is Elizabeth A. Dragon. I am the City Manager for Franklin, New Hampshire. | |
| 3 | My b | usiness address is 316 Central Street, Franklin, NH 03235 | |
| 4 | Q. | Have you testified before the Site Evaluation Committee before? | |
| 5 | A. | No. | |
| 6 | Q. | What is the purpose of your testimony? | |
| 7 | A. | My testimony relates to the tax benefits that the Northern Pass Transmission Project will | |
| 8 | create for the City of Franklin and their resulting impacts. It also serves to voice the City of | | |
| 9 | Franklin's support for the project. | | |
| 10 | Q. | Are you familiar with the Northern Pass Transmission Project? | |
| 11 | A. | I have an understanding of the project's proposed and alternative routes through the City | |
| 12 | of Franklin as well as the tax benefits of the project as they relate to the City of Franklin. | | |
| 13 | Q. | How much of the proposed Northern Pass transmission project will be in the City of | |
| 14 | Franklin? | | |
| 15 | A. | The City of Franklin is located along both the proposed and alternative routes for the | |
| 16 | Northern Pass Transmission line. My understanding is that there will be roughly 9.5 miles of | | |
| 17 | overhead; +/- 320 kV DC (direct current) and 0.5 miles of overhead; 345 kV AC (alternating | | |
| 18 | curre | nt). Additionally, a converter terminal will be located in Franklin, New Hampshire that will | |
| 19 | conta | in the necessary equipment to convert the power from direct current to alternating current. | |
| 20 | Q. | How will the Northern Pass Transmission Project impact the City of Franklin? | |
| 21 | A. | The Northern Pass Transmission Project will substantially increase the tax base in the | |
| 22 | city. | The 2014 total equalized property value is approximately \$536.3 million dollars. The | |

| 1 | Northern Pass Transmission Project projected property value in Franklin is estimated to be | | |
|----|---|--|--|
| 2 | \$358.1 million. This addition would substantially increase the City of Franklin's tax base. | | |
| 3 | Q. What tax benefits will the City of Franklin receive from the projected Northern | | |
| 4 | Pass Transmission addition to the tax base? | | |
| 5 | A. In the first year, the City of Franklin stands to receive estimated tax benefits in a range up | | |
| 6 | to \$7 million. This will have a significant positive fiscal impact on the city. | | |
| 7 | Q. What impact will this have on the City of Franklin? | | |
| 8 | A. The tax benefits will have a transformational effect on the City of Franklin. In a | | |
| 9 | community where one out of every two children is living at or below the poverty level, this is | | |
| 10 | huge. Revenue from the taxes paid by Northern Pass Transmission will benefit the public by, | | |
| 11 | amongst other things, allowing the city to better fund its schools and maintain its roads. For | | |
| 12 | example, the city has been forced to convert paved roads to dirt in order to save money, due to | | |
| 13 | infrastructure funds being so low. This is just one example of how financial constraints have | | |
| 14 | hindered the development of the city. The added tax benefits will help alleviate these financial | | |
| 15 | concerns and will positively impact Franklin, New Hampshire and benefit its residents. | | |
| 16 | It bears noting that this tax revenue comes without impacting local service. At times, | | |
| 17 | when a project is being built, it can provide tax revenue but it can also provide an offsetting | | |
| 18 | expense to the municipality. That is not the case here. Once the Northern Pass Transmission | | |
| 19 | Project is constructed, there is no impact on community services. | | |
| 20 | Q. Do you envision any other benefits as a result of the project? | | |
| 21 | A. Yes. The project will create other benefits that will have a positive impact on the City of | | |

22 Franklin, as well as the rest of New Hampshire.

Northern Pass Transmission Project

| 1 | | The project will create a significant number of jobs during the construction phase of the | | |
|----|--|---|--|--|
| 2 | project. These jobs will help boost New Hampshire's economy. The creation of these jobs will | | | |
| 3 | also have a positive, ripple effect on other businesses in the area because these workers will | | | |
| 4 | likely spend money at local businesses, resulting in a boost to the local economy. | | | |
| 5 | Additionally, the project will provide renewable energy that will power over one million | | | |
| 6 | homes in New England. The project will help reduce our carbon footprint because it will provide | | | |
| 7 | low carbon energy in the form of hydropower. In so doing, the project helps address New | | | |
| 8 | Hampshire's clean energy goals and reduce our overall impact on the environment. | | | |
| 9 | | Finally, the ratepayers will not pay for the project. The fact that the ratepayers receive | | |
| 10 | such substantial benefits from the project but will not be burdened with its costs underscores the | | | |
| 11 | project's beneficial nature and the need for this project. | | | |
| 12 | Q. | Do you have any concluding remarks that you believe will assist the SEC? | | |
| 13 | A. | Given the substantial tax benefits that this project will create for the city, as well as the | | |
| 14 | other benefits discussed in my testimony, the City of Franklin supports the Northern Pass | | | |
| 15 | Transmission Project. | | | |
| 16 | Q. | Does this conclude your testimony? | | |
| 17 | A. | Yes. | | |

AGUY 1/8/16



CITY OF FRANKLIN, NEW HAMPSHIRE Office of the City Manager

316 Central Street Franklin, New Hampshire 03235 *Telephone* (603) 934-3900 *Fax* (603) 934-7413

December 18, 2015

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

RE: City of Franklin Supports Proposed Northern Pass Project

Dear Ms. Monroe,

The City of Franklin wishes to pen this letter of support for the Northern Pass project for your consideration. Over the course of several years Franklin has articulated support for this project both verbally and written. This week the council yet again took a vote of unanimous support for project.

The socioeconomic impacts of this proposed project for not only the City of Franklin but also the State of NH are momentous. This 1.6 Billion dollar (TAXABLE) project will give communities a revenue boost at a time when we are fighting to come out of one the biggest recessions in recent memory. Communities & families have faced economic hardships and struggles across the state. Communities have deferred funding necessary projects because we simply can't afford it and neither can the taxpayers who are footing the bill.

The City of Franklin, which was once a vibrant mill town, has a population were over half of our students are eligible for free or reduced lunch. Over half!!! 1 out of every 2 children in this community is living at or below poverty level. That is our reality.

The City of Franklin has an overall tax base of just over \$524 million and this project would add another approximately \$394 million to the tax base (that's more than half of our current taxable assessed value) and would result in approximately 5 million dollars of new tax revenue to the city of Franklin. But it doesn't stop there:

- Additional Tax Benefits: Estimated Tax Benefits are not only for Franklin but several other towns & cities across NH as well counties and the state wide education funding system. At a time when funding education for children across New Hampshire is becoming more and more difficult-this project would generate over 7 million dollars directly to the State of NH education funding system.
- Tax revenue without impacting our local services: Often times when a project comes to town there is tax revenue but there is also an offsetting expense to the municipality. Once the lines and the facility are built there really is, for most communities, no impact to community services. Therefore, little to no increased costs to provide services to a project like this.

Franklin - The Three Rivers City

- Jobs!!!!! Throughout the state during the construction period (expected to last several years) 1,100-1,300 jobs are expected to be created. Even though these jobs are temporary in nature it would certainly be a boost to NH's economy and impact unemployment rates as we continue to pull ourselves out of the recession. In Franklin alone there is expected to be 300-380 jobs.
- Economic spin off: Jobs mean people! This project would bring workers to our towns for the entire construction time period of approximately 3 years. People who need lunch, or might need to do a little shopping before or after work and maybe even some who are looking for a place to stay or a permanent home. This temporary boost to our local businesses is just what we need! A Temporary boost certainly isn't enough to base a long term business on. However, our businesses who have been struggling through the recession might be able to enjoy the benefits of increased revenue at their location- and put in that new floor that they have been putting off or pay down some expenses they have been floating through tough times. Whatever the case might be and for however temporary 1, 2, or 3 years...even the slightest boost to our businesses is a welcome boost!
- Renewable Energy: this project would provide enough renewable energy to power 1 million homes in New England. As each community discusses how to "go green" and how to reduce our carbon footprint this project must be part of that discussion. It will provide low carbon energy and it goes a long ways towards addressing New Hampshire's clean energy goals. Hydro power ranks as one of the lowest emission generating options per kilowatt hour produced.
- HydroQuebec (Northern Pass) pay for the project (ENTIRELY): Many utility companies build a
 project and then spread the cost of building that project out over the rate users in their utility bill!
 This project is "participant pays" which means HydroQuebec is entirely footing the cost of
 building the project. That is good news for the rate payer.

In reality, we all like to use our cell phones but too often we don't want the cell tower in our communities (our backyard)- but one can't function without the other. The same goes for projects like this. We all want to reduce our carbon foot print and have affordable energy to run our homes/business-- so we need projects like this to get us there.

This project is vital to the City of Franklin in terms of future tax revenue but hopefully my talking points illustrate that there are also many significant statewide and regional benefits to the project that shouldn't be overlooked.

On behalf of the Mayor, City Council, and City Manger- we are thankful for the opportunity to express our support for this project. It is our sincere hope that this project becomes a reality. It is easy to "sell fear"! People are afraid of change but change is not only inevitable it is necessary. This project will benefit the City of Franklin, The State of New Hampshire and the New England region for decades to come. If we can be of assistance or answer any questions, please don't hesitate to contact us. Sincerely,

City of Franklin Mayor, City Councilors & City Manager

Franklin - The Three Rivers City



Subject: City of Franklin Supports Proposed Northern Pass Project

MOTION: Councilor Giunta moved that the Franklin City Council unanimously supports the Northern Pass Transmission project and the Council authorizes the City Manager to write a letter of support enumerating the many benefits of the project. The letter is to be sent to the New Hampshire Site Evaluation Committee with specific reference to the Franklin City Council's unanimous support and Councilor Boyd seconded.

All in favor; motion passes unanimously.

Signatures:

Mayor Kenneth Merrifield

Councilor Ted Starkweather

Councilor George Dzujna

Councilor Tony Giunta

Councilor Robert Desrochers, Sr.

Councilor Douglas Boyd

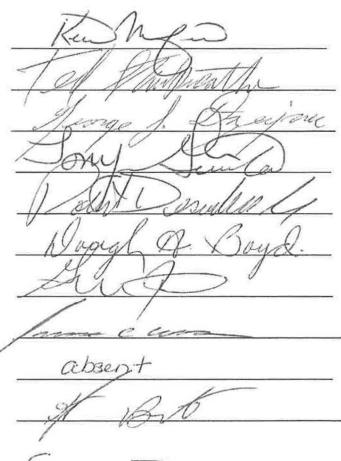
Councilor Glen Feener

Councilor James Wells

Councilor Scott Clarenbach

Councilor Steve Barton

City Manager Elizabeth Dragon



Franklin - The Three Rivers City



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316 Central Street Franklin, NH 03235 (603) 934-3900 fax (603) 934-7413 cityhall@franklinnh.org

April 4, 2016

Pamela Monroe, Administrator NH Site Evaluation Committee 21 South Fruit Street, Suite 10 Concord, NH 03301 pamela.monroe@sec.nh.gov

RE: NH 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

Dear Site Evaluation Committee:

The City of Franklin respectfully submits the following in support of the Applicant's proposed procedural schedule and asks that the SEC adopt said procedural schedule.

In this matter, the Applicant has proposed a schedule that is consistent with the statutory scheme. Having reviewed the Applicant's proposed schedule, the City of Franklin notes that the Applicant does not seek expedited treatment of its application. Rather, the Applicant's proposed schedule sets forth an appropriate time frame for the SEC to evaluate this application while also adhering to the statutory time frame enacted by the Legislature and incorporated into the administrative rules by the SEC through its rulemaking process. In so doing, the Applicant's proposed procedural schedule respects the rights of all parties to this proceeding and delineates a reasonable time frame to efficiently evaluate the siting of this new energy facility without undue delay, which is in the public interest.

In sum, the City of Franklin supports the Applicant's proposed procedural schedule and requests that the SEC adopt the Applicant's schedule. The City of Franklin looks forward to the beneficial, transformational change that this project will bring to the city and supports the SEC's timely and efficient evaluation of this application.

Very truly yours,

Elizabeth A. Dragon City Manager

Cc: Distribution List for Docket No. 2015-06



"The Three Rivers City"

316 Central Street Franklin, NH 03235 (603) 934-3900 fax (603) 934-7413 cityhall@franklinnh.org

Martin Honigberg, Chairman Pamela Monroe, Administrator NH Site Evaluation Committee 21 South Fruit Street, Suite 10 Concord, NH 03301 pamela.monroe@sec.nh.gov

RE: NH 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

June 6, 2016

Dear Chairman Honigberg:

On May 19, 2016, the Site Evaluation Committee ("SEC"), through its subcommittee, deliberated regarding the proposed procedural schedule for the adjudication of the present application for a Certificate of Site and Facility and determined that it would issue an order on the application by September of 2017. This represents a delay of roughly nine months when compared to the 365-day time frame established under RSA 162-H:7. The City of Franklin urges the subcommittee to reconsider its decision.

Delaying the issuance of an order in this matter, and in turn delaying the entirety of this proceeding, by nine months would have a detrimental impact on the City of Franklin. The NPT's projected property value in Franklin will substantially increase the city's tax base. As a result, the City of Franklin will receive a significant, positive benefit from the proposed project. Specifically, the City of Franklin stands to receive tax benefits in the first year estimated in a range of up to \$7 million. A nine-month delay in the evaluation of this project negatively impacts the City of Franklin by delaying the city's receipt of this transformational, positive benefit.

The negative impact that the nine-month delay will have on the city cannot be understated. To be clear, the City of Franklin is cognizant of the nature of the proposed project and the need to ensure that this application receives the appropriate time and attention necessary to render a complete determination regarding whether a certificate should issue. However, these considerations need to be balanced with the timely and efficient evaluation of energy projects as well as the negative impact that delaying the proposed project's benefits will have on individuals.

The City of Franklin has had an opportunity to review the Applicants' Motion to Adopt Procedural Schedule, filed May 31, 2016, and the city believes that the content of that motion and the relief sought strikes a more effective balance between the competing considerations in this matter. The City of Franklin respectfully requests that the subcommittee reconsider its May 19, 2016 determination regarding the nine-month delay in the evaluation of this application and that Chairman Honigberg adopt the Applicant's proposed procedural schedule attached to its May 31, 2016 motion. Thank you for your attention with this matter.

Very truly yours,

Elypeth A: Smagan

Elizabeth A. Dragon City Manager

Cc: Distribution List for Docket No. 2015-06



"The Three Rivers City"

316 Central Street Franklin, NH 03235

(603) 934-3900 fax (603) 934-7413 cityhall@franklinnh.org

February 4, 2016

Pamela Monroe, Administrator NH Site Evaluation Committee 21 South Fruit Street, Suite 10 Concord, NH 03301 Pamela.monroe@sec.nh.gov

Re: NH 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

Dear Ms. Monroe,

Pursuant to RSA 541-A:32 and New Hampshire Administrative Rule Site 202.11, please find for filing with the New Hampshire Site Evaluation Committee the City of Franklin's Petition to Intervene in the above-captioned matter.

Very truly yours,

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Elizabeth A. Dragon City Manager

Enclosures Cc: Distribution list for Docket No. 2015-06

THE STATE OF NEW HAMPSHIRE SITE EVALUATION COMMITTEE

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

SEC Docket No. 2015-06

CITY OF FRANKLIN'S PETITION TO INTERVENE

NOW COMES the City of Franklin and petitions the Site Evaluation Committee ("SEC") to allow it to intervene in the above-captioned matter in accordance with RSA 541-A:32 and New Hampshire Administrative Rule Site 202.11. In support thereof, the City of Franklin says:

On October 19, 2015, Northern Pass Transmission, LLC and Public Service
 Company of New Hampshire d/b/a Eversource Energy filed the above-referenced joint
 application for a Certificate of Site and Facility with the SEC to construct and operate a 1,090
 MW electric transmission line and related facilities from the Canadian border in Pittsburg, New
 Hampshire to Deerfield, New Hampshire.

2. The City of Franklin has a substantial interest in the proposed application. The City of Franklin is located along the proposed and alternate routes for the Northern Pass transmission ("NPT") line. The transmission line in the city will comprise 9.5 miles of overhead; +/- 320 kV DC (direct current) and 0.5 miles of overhead; 345 kV AC (alternating current).

3. Most notably though, a converter terminal will be located in Franklin, New Hampshire that will contain the necessary equipment to convert the power from direct current to alternating current. While the City of Franklin's 2014 total equalized property value is approximately \$536.3 million, NPT's projected property value in Franklin, (which includes this facility), is estimated to be \$358.1 million, which would substantially increase the city's tax base.

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4. As a result of the transformational nature of the projected NPT addition to the tax base, the City of Franklin stands to receive tax benefits in the first year estimated in a range up to \$7 million, which would have a very significant positive fiscal impact on the city.

5. RSA 541-A:32 and Site 202.11 govern petitions to intervene. Pursuant to newly enacted administrative rules governing the SEC, "[p]ersons seeking to intervene in a proceeding shall file petitions with the committee" Site 202.11(a).

6. Site 202.11(b) further provides that the SEC, or its presiding officer, shall grant a

petition to intervene if:

(1) The petition is submitted in writing to the presiding officer, with copies mailed to all parties named in the order of notice of the hearing or prehearing conference, not less than 3 days before the hearing or prehearing conference;

(2) The petition states facts demonstrating that the petitioner's rights, duties, privileges, immunities or other substantial interests might be affected by the proceeding or that the petitioner qualifies as an intervenor under any provision of law; and

(3) The presiding officer or hearing officer, as applicable, determines that the interests of justice and the orderly and prompt conduct of the proceeding would not be impaired by allowing the intervention.

7. Here, the City of Franklin has met the requirements of Site 202.11(b).

8. First, the City of Franklin has submitted its petition in writing and in a timely

manner, and has mailed copies as required by the rules. See Site 202.11(b)(1).

9. Second, the City of Franklin has set forth facts that are sufficient to demonstrate that its "rights, duties, privileges, immunities or other substantial interests might be affected by the proceeding." See Site 202.11(b)(2). Transmission lines from the proposed project, which is the subject of this proceeding, will run directly through the City of Franklin. Most notably, a converter terminal will be built within the City of Franklin. The City of Franklin is estimated to receive considerable tax revenue as a result of the project, which would have a transformational

effect on the city. Based on the facts detailed herein, the City of Franklin has sufficiently demonstrated its "rights, duties, privileges, immunities or other substantial interests" will be affected by the proceeding. See Site 202.11(b)(2).

10. Third, the "interests of justice and the orderly and prompt conduct of the proceeding would not be impaired" by allowing the City of Franklin to intervene. Indeed, justice would best be served by permitting the City of Franklin to intervene and participate in this proceeding, given the impact this proceeding will have on the City of Franklin.

11. Given the above considerations, the City of Franklin has met the requirements of Site 202.11(b).

12. Moreover, the City of Franklin is a municipality that will be affected by the SEC's action; as such, the City of Franklin is entitled to preferential statutory treatment. RSA 541-A:39 provides that an affected municipality must be given notice of an administrative proceeding and allowed a "reasonable opportunity to submit data, views, or comments with respect to the issuance of a permit, license or any action within its boundaries that directly affects the municipality. Such actions shall include those which may have an effect on land use, land development, or transportation; those which would result in the operation of a business; or those which would have an immediate fiscal impact on the municipality or require the provision of additional municipal services." Additionally, RSA 162-H:16, IV(b) provides that due consideration must be given to "the views of municipal and regional planning commissions and municipal governing bodies."

13. Given the nature of the proposed application, the City of Franklin will be directly affected by the proposed project and should, therefore, be permitted to intervene. Such a determination would be consistent with the SEC's orders in other projects permitting

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municipalities to intervene based on RSA 541-A:39 and RSA 162-H:16, IV(b). <u>See, e.g., Order</u> on Pending Motions and Notice of Prehearing Conference, SEC Docket No. 2015-01, at 5–6 (May 19, 2015) (permitting the City of Portsmouth and City of Dover to intervene in a proceeding due to the impact the project could have on both cities); <u>Order on Late-Filed Motions</u> to Intervene, SEC Docket No. 2015-01, at 5 (June 3, 2015) (permitting the Town of Newington to intervene in a proceeding).

14. For all the reasons set forth above, the City of Franklin respectfully requests that the SEC grant its Petition to Intervene.

WHEREFORE, the City of Franklin respectfully requests that the SEC:

A. Grant the City of Franklin's Petition to Intervene; and

B. Grant such other and further relief as may be just.

Respectfully submitted, CITY OF FRANKLIN

By Its City Manager,

Dated: 2-4-10

Elizabeth A. Dragon City Manager 316 Central Street Franklin, NH 03235 (603) 934-3900 citymgr@franklinnh.org

Certificate of Service

I hereby certify that on this day, an original and one copy of the foregoing petition was sent to the New Hampshire Site Evaluation Committee, and a copy was sent by electronic mail or U.S. Mail, postage prepaid to persons named on the SEC distribution list.

4

Dated: 2/5/16

Flizabeth A. Dragon By Paul T. Fitzgerald, Duly Authorized