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STATE OF NEW HAMPSHIRE

SITE EVALUATION COMMITTEE

July 26, 2021 - 9:15 a.m.

Public Utilities Commission
21 South Fruit Street Suite 10
Concord, New Hampshire

*** REDACTED ***
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[Hearing also conducted via Webex]

IN RE: SEC DOCKET NO. 2021-03
SITE EVALUATION COMMITTEE:
Joint Petition for Approval of
the Transfer of Membership
Interests in BAIF Granite
Holdings, LLC, and Granite
Reliable Power, LLC, to
Tusk Wind Holdings III, LLC.
[Hearing on the merits]

PRESENT:	SITE EVALUATION COMMITTEE:
Chairwoman Dianne Martin <i>(Presiding as Presiding Officer)</i>	Public Utilities Commission
Cmsr. Daniel Goldner	Public Utilities Commission
Robert Baines	Public Member

Also Present for the SEC:

Michael J. Iacopino, Esq., SEC Counsel
(Brennan Lenehan Iacopino & Hickey)

Corrine Lemay, SEC Hybrid Hearing Host

COURT REPORTER: *Steven E. Patnaude, LCR No. 52*

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APPEARANCES: **Reptg. Tusk Wind Holdings III, LLC:**
 Douglas L. Patch, Esq. (*Orr & Reno*)
 Susan S. Geiger, Esq. (*Orr & Reno*)

Reptg. BAIF U.S. Renewable Power
 Holdings, LLC:
 Harold Pachios, Esq. (*Preti Flaherty*)

Reptg. Freshet Wind Holdings, LLC:
 Colleen Lyons, Esq. (*Sheehan Phinney*)

Reptg. Counsel for the Public:
 K. Allen Brooks, Esq.
 Senior Assistant Attorney General
 N.H. Attorney General's Office

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E X H I B I T S

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
JP EX 001	Joint Petition for Approval of Transfer of Membership Interests in GRP	<i>premarked</i>
JP EX 002	Prefiled Testimony Matthew Roskot	<i>premarked</i>
JP EX 003	Prefiled Testimony Gerard Nostra	<i>premarked</i>
JP EX 004	Pre-Transfer and Post-Transfer Organizational Charts	<i>premarked</i>
JP EX 005	Financial Statement of Tusk Wind Holdings III, LLC {CONFIDENTIAL}	<i>premarked</i>
JP EX 006	NextEra Energy Partners, LP Annual Report	<i>premarked</i>
JP EX 007	Purchase and Sale Agreement {CONFIDENTIAL}	<i>premarked</i>
JP EX 008	Response to Data Request CFP 1-1	<i>premarked</i>
JP EX 009	Attachment 1 to Response to Data Request CFP 1-1 - Management Services Agreement	<i>premarked</i>
JP EX 010	Attachment 2 to Response to Data Request CFP 1-1 - form of Operation and Maintenance Agreement {CONFIDENTIAL}	<i>premarked</i>
JP EX 011	Attachment 3 to Response to Data Request CFP 1-1 - form of Administrative Services Agreement {CONFIDENTIAL}	<i>premarked</i>

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E X H I B I T S (continued)

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
JP EX 012	Response to Data Request CFP 1-2	<i>premarked</i>
JP EX 013	NextEra Energy Partners, Form 10-Q	<i>premarked</i>

P R O C E E D I N G

1
2 CHAIRWOMAN MARTIN: All right. Let's
3 go on the record.

4 Good morning, everyone. We're here
5 this morning in Docket 2021-03, which is the
6 Joint Petition for Approval of the Transfer of
7 Membership Interests in Granite Holdings LLC and
8 Granite Reliable Power LLC to Tusk Wind Holdings
9 III, LLC.

10 Let's start by taking attendance of the
11 Committee. My name is Dianne Martin. I am the
12 Chairwoman of the Site Evaluation Committee.

13 Commissioner Goldner.

14 COMMISSIONER GOLDNER: Hi. Dan
15 Goldner.

16 CHAIRWOMAN MARTIN: And Mr. Baines.

17 MR. BAINES: Bob Baines, public member.

18 CHAIRWOMAN MARTIN: All right. Thank
19 you.

20 Let's take appearances next, starting
21 with Mr. Patch.

22 MR. PATCH: Good morning. My name is
23 Doug Patch. I'm with the law firm of Orr & Reno.
24 And I'm appearing today on behalf of Tusk Wind

1 III, LLC.

2 CHAIRWOMAN MARTIN: Okay. And is Ms.
3 Geiger going to appear as well?

4 MS. GEIGER: Yes. Susan Geiger, also
5 from the law firm of Orr & Reno, appearing on
6 behalf of Tusk Wind.

7 MR. PACHIOS: I'm Harold Pachios, from
8 the law firm of Preti Flaherty. And I represent
9 BAIF U.S. Renewable Power, --

10 MS. LYONS: And I'm Colleen Lyons --
11 oh, excuse me. Sorry. I'm Colleen Lyons, from
12 the law firm of Sheehan Phinney Bass & Green.
13 And I am representing Freshet Wind Holdings.

14 CHAIRWOMAN MARTIN: Okay. Thank you.
15 And Mr. -- I'm sorry if I say your name wrong --
16 Pachios, --

17 MR. PACHIOS: Pachios.

18 CHAIRWOMAN MARTIN: -- could you please
19 restate that? I'm not sure it was loud enough
20 for Steve to hear.

21 MR. PACHIOS: Chairwoman, you're a
22 little muffled. I can hear everybody clearly,
23 except you're a little bit muffled. What was
24 your question again?

1 CHAIRWOMAN MARTIN: Could you just
2 restate your appearance please?

3 MR. PACHIOS: Yes. My name is Harold
4 Pachios. I am a member of the law firm of Preti
5 Flaherty, Concord and Portland. And I represent
6 BAIF U.S. Renewable Power, which is a
7 co-Petitioner.

8 CHAIRWOMAN MARTIN: Okay. Thank you
9 very much. And Mr. Brooks.

10 MR. BROOKS: My name is Allen Brooks.
11 And I will be Counsel for the Public.

12 CHAIRWOMAN MARTIN: All right. Thank
13 you.

14 Let's deal with exhibits first. I
15 have, for the Joint Petitioners, Exhibits 1
16 through 13, prefiled and premarked as "JP EX 001"
17 through "013".

18 I also want to clarify one reference
19 in the Petition to Appendix E, where it states
20 that Appendix E is a "petition [copy?] of the
21 financial statement of Tusk Wind", when, in
22 reality, it is for "Granite State [sic]
23 Reliable". Mr. Patch, can you confirm that
24 please?

1 MR. PATCH: Yes. It was mismarked. It
2 should have been "Granite Reliable Power",
3 instead of "Tusk Wind".

4 CHAIRWOMAN MARTIN: Got it. "Granite
5 Reliable Power", instead of "Tusk Wind".

6 Okay. Any other issues with exhibits?

7 *[No verbal response.]*

8 CHAIRWOMAN MARTIN: All right. And we
9 do have a pending Motion for Confidential
10 Treatment and Supplemental Motion. I would ask
11 that everyone today please treat all material
12 identified in that as confidential. For purposes
13 of today's hearing, if anyone does need to
14 reference the confidential material that was
15 marked, please do so, wherever possible, by
16 referencing the exhibit and the page number,
17 rather than actually stating the confidential
18 material. If confidential material must be
19 stated, rather than referenced, please let me
20 know in advance, so that we can clear the virtual
21 and physical hearing room of people who should
22 not be hearing that confidential information.
23 Are there any other preliminary matters
24 we need to address?

1 MR. PATCH: That's the only one I had,
2 and I appreciate you spelling that out. Thank
3 you.

4 CHAIRWOMAN MARTIN: Okay. Seeing none
5 from anyone online either.

6 Let's proceed with swearing in the
7 witnesses. I plan to swear them both in at one
8 time. Is that okay with you, Mr. Patch?

9 MR. PATCH: That's fine. I think we
10 had planned to do Mr. Nostra first.

11 CHAIRWOMAN MARTIN: Okay.

12 MR. PATCH: But I think that makes
13 sense.

14 CHAIRWOMAN MARTIN: Okay. One
15 question. The Committee would actually like to
16 direct questions to both witnesses at the same
17 time. So, if you are comfortable, we can take
18 Mr. Nostra first, followed by Mr. Roskot, for
19 direct and cross, and then have questions from
20 the Committee for both?

21 MR. PATCH: Sure. That's fine.

22 CHAIRWOMAN MARTIN: Mr. Patnaude, could
23 you please swear in the witnesses.

24 (Whereupon **Gerard Nostra** and

[WITNESS: Nostra]

1 **Matthew Roskot** were duly sworn by the
2 Court Reporter.)

3 CHAIRWOMAN MARTIN: I did not actually
4 see the witnesses raise their hands. Did you
5 raise your hands?

6 Can you do that again, Steve? I think
7 we lost you for a moment. You were cutting out.

8 MR. PATNAUDE: Okay.

9 (Whereupon **Gerard Nostra** and
10 **Matthew Roskot** were duly sworn by the
11 Court Reporter.)

12 CHAIRWOMAN MARTIN: Thank you. Mr.
13 Patch.

14 MR. PATCH: Okay. Mr. Nostra, if
15 you're having a problem hearing me, could you
16 just raise your hand or something and let me
17 know?

18 WITNESS NOSTRA: I'm hearing you fine
19 right now.

20 MR. PATCH: Okay. Good. Thank you.

21 **GERARD NOSTRA, SWORN**

22 **DIRECT EXAMINATION**

23 BY MR. PATCH:

24 Q Would you please state your name and your

[WITNESS: Nostra]

1 business address for the record?

2 A (Nostra) My name is Gerard Nostra. My business
3 address is 700 Universe Boulevard, Juno Beach,
4 Florida 33408.

5 CHAIRWOMAN MARTIN: Can you ask him to
6 speak up please?

7 MR. PATCH: We're having a little bit
8 of a hard time hearing you here. If you can just
9 speak up a little bit more, that would be
10 helpful.

11 WITNESS NOSTRA: Sure.

12 **BY THE WITNESS:**

13 A (Nostra) My name is Gerard Nostra. My business
14 address is 700 Universe Boulevard, Juno Beach,
15 Florida 33408.

16 Q That's better. Thank you. By whom are you
17 employed and in what capacity?

18 A (Nostra) I am employed by NextEra Energy
19 Resources Project Management, Inc. It's an
20 affiliate of Next Energy -- NextEra Energy
21 Resources, LLC, as a Wind Regional General
22 Manager.

23 Q And could you give the Committee a brief summary
24 of your qualifications and your experience?

[WITNESS: Nostra]

1 A (Nostra) Tusk Wind Holdings III, LLC, is an
2 indirect wholly-owned subsidy [subsidiary?] of
3 NextEra Energy Partners, LP. And NEP, NextEra
4 Energy Partners, is a party --

5 CHAIRWOMAN MARTIN: Mr. Nostra, I'm
6 going to ask you to slow down, because
7 Mr. Patnaude will not be able to keep up with
8 you. Thank you.

9 WITNESS NOSTRA: Okay. I'll start
10 over.

11 **BY THE WITNESS:**

12 A (Nostra) Tusk Wind Holdings III is an indirect
13 wholly-owned subsidy [subsidiary?] of NextEra
14 Energy Partners. And NEP is a party to a
15 Management Services Agreement under which
16 operational, management, and administrative
17 services are provided to NEP through NEER
18 affiliates. The Wind Generation Team --

19 BY MR. PATCH:

20 Q Actually, Mr. Nostra? Sorry to stop you, but I
21 think what I had asked for was a brief summary of
22 your qualifications. So, I don't know if you
23 could start there, and then we'll go back --

24 A (Nostra) Oh, yes. I'm sorry.

[WITNESS: Nostra]

1 Q Yes.

2 A (Nostra) I'm been in my current -- I've been in
3 my current position as a Wind General Manager
4 since 2009. In that position, I have the
5 responsibility for the safe and reliable daily
6 operation of wind turbine power generating
7 facilities, associated equipment, and personnel
8 that are part of NextEra Energy Resources, which,
9 as noted below, has a significant portfolio of
10 wind generating assets. A copy of my complete
11 resumé is included in Attachment 1.

12 Q And are you the same witness who submitted
13 prefiled testimony in this docket, which is dated
14 "May 3rd, 2021", and which has been marked --
15 premarked as "Joint Petitioners Exhibit 003"?

16 A (Nostra) I am.

17 Q And do you have any corrections or updates to the
18 prefiled testimony?

19 A (Nostra) No, I don't.

20 Q Could you provide a brief summary of your
21 testimony? I think you already started, but why
22 don't you start over again.

23 A (Nostra) Sure. Tusk Wind Holdings is an indirect
24 wholly-owned subsidy **[subsidiary?]** of NextEra

[WITNESS: Nostra]

1 Energy Partners, LP. And NEP is a party to a
2 Management Services Agreement under which
3 operational, management, and administrative
4 services are provided to NEP through NEER
5 affiliates.

6 The Wind Generation Team to the Joint
7 -- excuse me -- to the Joint Petition, which is
8 the subject of this docket, including the Wind
9 General Managers and their teams, provide support
10 to NEP pursuant to that MSA. In my role as a
11 Wind Regional General Manager, I am responsible
12 for the Year 1 Transition team, which includes
13 accountability for transitioning new and acquired
14 wind generation sites to the wind portfolio to
15 meet or exceed standard operating practices.

16 Q And, so, the agreements, I think you made
17 reference to certain agreements that will be in
18 place, there's one agreement that's in place now,
19 which is the Management Services Agreement, is
20 that correct?

21 A (Nostra) Yes.

22 Q And that's been marked as an exhibit in this
23 docket, "Joint Petitioners Exhibit Number 009".
24 And then, we have also marked as an exhibit a

[WITNESS: Nostra]

1 response to a data request from Counsel for the
2 Public, CFP 1-1. And you were responsible for
3 providing that response, is that correct?

4 A (Nostra) Yes.

5 Q And that's been marked as "Exhibit 008". And
6 attached to that response are two other
7 agreements, at least the form of agreements that
8 will be in place after the transfer, both of
9 which have been marked as "confidential"; one of
10 which is an "Operation and Maintenance Agreement"
11 and the other is an "Administrative Services
12 Agreement", is that correct?

13 A (Nostra) Yes.

14 Q Okay. And do you have any testimony with regard
15 to NEER's experience with renewable energy that
16 you would like to offer the Committee? I believe
17 it's in your prefiled testimony, but maybe just a
18 brief summary?

19 A (Nostra) Yes. As mentioned above, Tusk Wind
20 Holdings is an indirect subsidy **[subsidiary?]** of
21 NEP, and is a party to the Management Services
22 Agreement under which operational, management,
23 and administrative services are provided to NEP
24 through NEER affiliates. NEER is the world's

[WITNESS: Nostra]

1 largest generator of renewable energy from the
2 wind and the sun, and, through its affiliates,
3 operates and manages approximately 18,000
4 megawatts of wind across 20 states in the U.S.
5 and four provinces in Canada.

6 NEER first entered the wind generation
7 business in 1989 with the acquisition of several
8 existing wind projects in Southern California,
9 and today operates approximately 126 wind
10 projects that are comprised of more than 9,800
11 wind turbines, including similar Vestas turbines
12 at four other projects.

13 Q Is there any further information you would like
14 to present to the Committee at this time?

15 A (Nostra) Yes. The operation of the Granite
16 Reliable -- the GRP facility will be monitored
17 through the utilization of NEER's Renewable
18 Operations Control Center, which will be used to
19 optimize performance and control GRP's facility
20 operations. The ROCC is staffed with North
21 American Electric Reliability Council Certified
22 Transmission System Operators 24 hours a day, 365
23 days a year. And the ROCC will monitor real-time
24 performance of the GRP facility and remotely

[WITNESS: Nostra]

1 detect any abnormal operating conditions. In
2 addition, regional operations and maintenance
3 staff will provide as support, as necessary, for
4 any planned maintenance or any unplanned outages.

5 MR. PATCH: Okay. Thank you, Mr.
6 Nostra. The witness is available for
7 cross-examination.

8 CHAIRWOMAN MARTIN: Mr. Brooks.

9 MS. GEIGER: I'll be -- I'll be asking
10 questions of Mr. Roskot. This is Susan --

11 MR. PATCH: Did you want to do cross
12 first, Madam Chair? Is that what you said?

13 CHAIRWOMAN MARTIN: If that was the way
14 you had planned it, we're fine with going that
15 way. The only change I had was that the
16 Committee would like to do both witnesses at the
17 same time.

18 MR. PATCH: Okay. So, maybe we, before
19 Ms. Geiger does the direct on Mr. Roskot, if Mr.
20 Brooks has any questions for this witness?

21 CHAIRWOMAN MARTIN: That would be fine.
22 And I assume no other counsel is going to be
23 asking questions today?

24 MR. PATCH: Not that I know of.

[WITNESS: Nostra]

1 CHAIRWOMAN MARTIN: Okay. Let me
2 confirm.

3 Ms. Lyons, you will not be asking
4 questions, you're deferring to Mr. Patch?

5 MS. LYONS: Yes, I am.

6 CHAIRWOMAN MARTIN: Okay. And, Mr.
7 Pachios, the same?

8 *[No audible response.]*

9 CHAIRWOMAN MARTIN: Okay. I think I
10 saw you say "no".

11 All right. Then, Mr. Brooks, go ahead.

12 MR. BROOKS: Thank you. I actually
13 have no questions for cross-examination. The
14 Applicant answered all of my questions in
15 *[indecipherable audio]*.

16 CHAIRWOMAN MARTIN: Is that the same
17 for both witnesses?

18 MR. BROOKS: Correct.

19 CHAIRWOMAN MARTIN: Okay.

20 *[Court reporter interruption regarding*
21 *the end of Mr. Brook's statement due to*
22 *indecipherable audio.]*

23 MR. BROOKS: Okay. I have no questions
24 for cross-examination for either of these

[WITNESS: Roskot]

1 witnesses. The Applicant answered all of my
2 questions through data requests.

3 CHAIRWOMAN MARTIN: All right. Mr.
4 Patch, please proceed with Mr. Roskot then.

5 MR. PATCH: Actually, Ms. Geiger will
6 do the direct.

7 CHAIRWOMAN MARTIN: Oh, that's right.
8 Ms. Geiger, go ahead.

9 MS. GEIGER: Thank you, Madam
10 Chairwoman.

11 **MATTHEW ROSKOT, SWORN**

12 **DIRECT EXAMINATION**

13 BY MS. GEIGER:

14 Q Mr. Roskot, could you please state your name and
15 spell your last name for the record?

16 A (Roskot) Yes. Matthew Roskot, R-o-s-k-o-t.

17 Q Please state your business address?

18 A (Roskot) 700 Universe Boulevard, Juno Beach,
19 Florida 33408.

20 Q And by whom are you employed and in what
21 capacity?

22 A (Roskot) I'm employed by NextEra Energy
23 Resources, LLC, or NEER, which is a wholly-owned
24 subsidiary of NextEra Energy, Inc., or NEE. I

[WITNESS: Roskot]

1 hold the position of Vice President, NextEra
2 Energy Partners, LP, or NEP. A NextEra
3 Organization Chart showing these entities has
4 been marked as "Joint Petitioners Exhibit 004".

5 Q Mr. Roskot, could you please provide the
6 Committee with a brief summary of your
7 qualifications?

8 A (Roskot) I hold a Bachelor of Arts degree from
9 Columbia University, and a Master of Science
10 degree in Energy and Environmental Management
11 from Stony Brook University. I'm a Chartered
12 Financial Analyst. And I've been with NEE for
13 over seven years. I have held my current
14 position since January of this year.

15 For four years prior, I was Director of
16 Investor Relations for both NEE and NEP, where I
17 was responsible for managing the communication of
18 the companies' financial and operational
19 performance and business outlook with the
20 investment community. Prior to that role, I held
21 several positions of increasing responsibility
22 within the NEER distributed generation
23 organization.

24 Prior to joining NEE, I was employed in

[WITNESS: Roskot]

1 several financial roles, including positions with
2 Bear Stearns and JP Morgan from 2004 through
3 2009, and NorthWinds Advisors from 2011 through
4 2014.

5 Q And, Mr. Roskot, are you the same witness who
6 submitted prefiled testimony in this docket,
7 dated "May 3rd 2021", which has been marked as
8 "Joint Petitioners Exhibit 002"?

9 A (Roskot) Yes.

10 Q Do you have any corrections or updates to your
11 prefiled testimony?

12 A (Roskot) Yes. There is a scribner's error on
13 Page 6, Line 16, where the amount should be
14 "\$83,403.30", instead of "\$84,403.30".

15 Additionally, I have one update on
16 NextEra Energy Partners --

17 CHAIRWOMAN MARTIN: Excuse me,
18 Mr. Roskot?

19 WITNESS ROSKOT: Yes.

20 CHAIRWOMAN MARTIN: Can you just
21 restate that change again, and the location?

22 WITNESS ROSKOT: Yes. There's a
23 scribner's error on Page 6, Line 16, where the
24 amount should be "\$83,403.30", instead of

[WITNESS: Roskot]

1 "\$84,403.30".

2 CHAIRWOMAN MARTIN: Thank you.

3 WITNESS ROSKOT: No problem.

4 **CONTINUED BY THE WITNESS:**

5 A (Roskot) Additionally, I have one update on
6 NextEra Energy Partners' liquidity position. On
7 Friday, July 23rd, NEP released its Second
8 Quarter 2021 financial results. During the
9 prepared remarks for the attorney's release,
10 NEP's total liquidity position was disclosed to
11 be approximately \$2.2 billion, as of June 30th,
12 2021, an increase from the March 31st, 2021
13 amount of approximately \$1.584 billion.

14 CHAIRWOMAN MARTIN: Can you restate
15 that number again please, 1.5?

16 WITNESS ROSKOT: \$1.584 billion.

17 CHAIRWOMAN MARTIN: Okay. Thank you.

18 WITNESS ROSKOT: You're welcome.

19 BY MS. GEIGER:

20 Q Mr. Roskot, with the corrections and the updates
21 that you just described, if you were asked the
22 same questions contained in your prefiled
23 testimony today under oath, would your answers be
24 the same?

[WITNESS: Roskot]

1 A (Roskot) Yes.

2 Q Would you please provide a brief summary of your
3 testimony?

4 A (Roskot) My prefiled testimony describes the
5 manner in which Tusk Wind Holdings III, LLC, will
6 finance the acquisition of the ownership
7 interests in Granite Reliable Power, LLC. My
8 prefiled testimony also describes Tusk Wind
9 Holdings' financial capability to own and operate
10 Granite Reliable Power. Tusk Wind Holdings III,
11 LLC, is an indirect wholly-owned subsidiary of
12 NEP, which provides funding to its operating
13 subsidiaries, such as Tusk Wind.

14 NEP plans to provide the initial
15 funding for the acquisition of Granite
16 Renewable [Reliable?] Power from funds remaining
17 from NEP's 2020 convertible equity portfolio
18 financing and existing debt capacity. This
19 financing plan is consistent with NEP's past
20 approach to financing the acquisition of other
21 renewable energy projects.

22 As of March 31st, 2021, NEP's total
23 liquidity position was approximately \$1.584
24 billion, which I just updated to \$2.2 billion as

[WITNESS: Roskot]

1 of June 30th, 2021. This amount provides NEP
2 with sufficient accessible funds to finance the
3 transaction.

4 NEP has carefully analyzed Granite
5 Renewable's cash -- Granite Reliable's cash flow
6 before pursuing this type of investment
7 opportunity. And, based upon its internal
8 projections of electricity markets and NEP's
9 operating capability, NEP has determined that the
10 sale of electricity and related attributes will
11 enable the Granite Reliable Project to make
12 ongoing capital investments and cover the
13 project's operating costs.

14 At closing, Granite Reliable Power will
15 meet its decommissioning responsibility by
16 replacing the current \$83,403.30 Financial
17 Assurance Mechanism balance with an irrevocable
18 standby letter of credit for a similar security
19 in the amount of \$83,403.30. GRP is prepared to
20 periodically update this amount as the Committee
21 deems necessary and appropriate, such as every
22 ten years.

23 In summary, Tusk Wind Holdings III,
24 LLC, has the financial capability to own and

[WITNESS: Roskot]

1 operate the Granite Reliable Power wind energy
2 facility in continuing compliance with the terms
3 and conditions of its Certificate of Site and
4 Facility.

5 Q Mr. Roskot, do you have any further information
6 that you'd like to provide to the Committee?

7 A (Roskot) No. But I would be happy to answer any
8 questions.

9 MS. GEIGER: Thank you for your
10 testimony. This witness is available for
11 cross-examination.

12 CHAIRWOMAN MARTIN: Okay. Thank you.
13 I think we heard from Counsel for the Public that
14 he does not have questions for this witness
15 either?

16 MR. BROOKS: Correct.

17 CHAIRWOMAN MARTIN: Okay. Thank you.
18 Then, we will turn to Mr. Baines and
19 determine if he has questions?

20 MR. BAINES: I have no questions.

21 CHAIRWOMAN MARTIN: Okay. Thank you.
22 Commissioner Goldner?

23 COMMISSIONER GOLDNER: Yes. I just
24 have a few questions.

[WITNESS PANEL: Nostra|Roskot]

1 BY COMMISSIONER GOLDNER:

2 Q Mr. Nostra, can you explain for the Committee the
3 purpose and function --

4 *[Court reporter interruption due to*
5 *audio issue.]*

6 BY COMMISSIONER GOLDNER:

7 Q A question for Mr. Nostra. Can you explain for
8 the Committee the purpose and function of an
9 indirect wholly-owned subsidiary?

10 A (Nostra) I'm not familiar with that. I'd have to
11 ask someone else.

12 Q All right. Available for anyone?

13 MR. PATCH: Mr. Roskot, is that
14 something you feel comfortable in responding to?

15 WITNESS ROSKOT: I'm sorry. I had a
16 little trouble hearing. Could the question be
17 repeated please?

18 BY COMMISSIONER GOLDNER:

19 Q Sure. The question is just "what is the purpose
20 and function of an indirect wholly-owned
21 subsidiary?"

22 A (Roskot) I also -- I'm not the governance expert
23 for facilities. So, I would defer that to our
24 counsel.

[WITNESS PANEL: Nostra|Roskot]

1 MR. PATCH: I don't know if it would be
2 acceptable to the Committee, but I'm not sure
3 whether Mr. Donaldson would feel comfortable
4 responding to that question, or, absent that, we
5 could certainly take a record request.

6 CHAIRWOMAN MARTIN: Well, let's see if
7 Mr. Donaldson feels like he could answer it. Do
8 you think that's a question you could answer,
9 Mr. Donaldson? You're on mute.

10 MR. DONALDSON: Yes. Can you hear me
11 now?

12 CHAIRWOMAN MARTIN: We can.

13 MR. DONALDSON: Okay. Great. Good
14 morning.

15 The way that we have structured the
16 transaction is that Tusk Wind Holdings --

17 CHAIRWOMAN MARTIN: Excuse me,
18 Mr. Donaldson. I just wanted to confirm whether
19 you could answer the question first. It sounds
20 like you can?

21 MR. DONALDSON: I can answer the
22 question, unless you would like for it to be
23 presented in a subsequent data request. But,
24 certainly, --

[WITNESS PANEL: Nostra|Roskot]

1 CHAIRWOMAN MARTIN: What I would like
2 to do is have you sworn in, if you're going to
3 answer the question. So, why don't we have
4 Mr. Patnaude do that first.

5 MR. DONALDSON: Well, I'm counsel for
6 NextEra Energy Partners.

7 CHAIRWOMAN MARTIN: Okay. So, you
8 would just be answering it in your legal capacity
9 as counsel?

10 MR. DONALDSON: That's correct. That's
11 correct, ma'am.

12 CHAIRWOMAN MARTIN: Okay. I guess I
13 defer to Mr. Patch as to how he wants to handle
14 this question.

15 MR. PATCH: Well, if -- you had asked
16 whether the witness could be sworn in, first of
17 all.

18 CHAIRWOMAN MARTIN: Uh-huh.

19 MR. PATCH: And, Mr. Donaldson, I'll
20 defer to you. If you feel capable of answering
21 now, I think it would probably help to speed
22 things along. But, maybe if you try to answer,
23 and then, if there's a follow-up we can't answer,
24 if we could take a record request.

[WITNESS PANEL: Nostra|Roskot]

1 CHAIRWOMAN MARTIN: So, are you
2 suggesting that we swear him in then?

3 MR. PATCH: I think that would make
4 sense. Are you comfortable with that, Mr.
5 Donaldson?

6 MR. DONALDSON: In my capacity as
7 counsel for NextEra?

8 MR. PATCH: Yes.

9 MR. DONALDSON: Or do you want to swear
10 me in as a witness?

11 MR. PATCH: Well, --

12 CHAIRWOMAN MARTIN: He'd have to be a
13 witness, if he's getting sworn in.

14 MR. PATCH: That's right.

15 MR. DONALDSON: Right.

16 MR. PATCH: I mean, --

17 MR. DONALDSON: I think it would be --
18 I think it would be best if we respond in a
19 subsequent records request for that particular
20 question. I think that's probably the most
21 appropriate avenue to take.

22 MR. PATCH: Okay. All right.

23 CHAIRWOMAN MARTIN: And, Commissioner
24 Goldner, is this a question that you need

[WITNESS PANEL: Nostra|Roskot]

1 answered in order to make a decision on this
2 case?

3 COMMISSIONER GOLDNER: I have a few
4 more I'd like to just deal with.

5 CHAIRWOMAN MARTIN: Okay. Let's go
6 through his questions. We'll list that one as a
7 record request at this point.

8 Go ahead, Commissioner Goldner.

9 BY COMMISSIONER GOLDNER:

10 Q I counted, I think, ten entities between Tusk
11 and NextEra, Inc. Can someone talk about the
12 reason for such a complex financial structure?

13 A (Roskot) Similar to my prior response, I am not
14 the governance expert. So, I would defer to
15 counsel.

16 MR. DONALDSON: You know, if you -- can
17 you guys hear me? I can speed this up. If you
18 want to swear me in, I'll be sworn in and answer
19 the questions regarding the governance, if that
20 is going to make it easier, if there's going to
21 be multiple more questions on this.

22 CHAIRWOMAN MARTIN: Okay. I'm also
23 happy to give -- to take a brief recess, so that
24 you can -- see if you can come up with a fact

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 witness that you'd like to put on, as long as
2 there's no objection.

3 MR. DONALDSON: No. It's fine. I'll
4 get sworn in to answer the question, Madam
5 Chairman.

6 CHAIRWOMAN MARTIN: Okay. All right.
7 Mr. Patnaude, would you swear in Mr. Donaldson.

8 (Whereupon **Kevin Donaldson** was duly
9 sworn by the Court Reporter.)

10 MR. PATCH: Maybe I'll just ask him a
11 couple of brief questions.

12 WITNESS DONALDSON: Sure.

13 CHAIRWOMAN MARTIN: That would be
14 great.

15 **KEVIN DONALDSON, SWORN**

16 **DIRECT EXAMINATION**

17 BY MR. PATCH:

18 Q Mr. Donaldson, could you state your name and give
19 your business address for the record?

20 A (Donaldson) Sure. Kevin Donaldson. I'm at 700
21 Universe Boulevard, Juno Beach, Florida 33408.

22 Q And by whom are you employed and in what
23 capacity?

24 A (Donaldson) I'm employed by NextEra Energy

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Resources, LLC. I'm a Senior Attorney for
2 NextEra Energy Resources.

3 Q And could you give the Committee a brief summary
4 of your experience and qualifications?

5 A (Donaldson) Certainly. I've been employed with
6 NextEra Energy Resources in the Legal Department
7 for over 14 years. I have practiced in the
8 regulatory space for NextEra, for Florida Power &
9 Light, which is a subsidiary of NextEra Energy,
10 Inc. I have been the primary attorney for the
11 NextEra Energy Partners, LP, handling any type of
12 mergers and acquisitions, regulatory matters, and
13 the primary transactional attorney on this
14 particular case.

15 Q Okay. Do you need either of the questions
16 restated or are you comfortable --

17 A (Donaldson) No. I think I -- I think I can
18 respond to the first question, which was "why did
19 we have an indirect wholly-owned subsidiary of
20 NEP?" If that's the correct question?

21 COMMISSIONER GOLDNER: Yes.

22 **BY THE WITNESS:**

23 A (Donaldson) Okay. So, the way that we've
24 structured this transaction is that Tusk Wind

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Holdings III, LLC, is the buyer of the Granite --
2 of the interest from BAIF, which is the seller
3 of, I believe, 89.5 percent of the transaction,
4 and from Freshet, which is the 10.5 percent
5 membership interest in Granite Reliable Power.

6 The way that we have structured the
7 transaction is that Tusk Wind Holdings III will
8 be the holding company that will be primarily
9 responsible for Granite Reliable Power. And, as
10 I'm sure that you may be aware, that, in order to
11 have these membership interests held up the
12 chain, Tusk Wind Holdings is the indirect
13 wholly-owned subsidiary of NextEra Energy
14 Operating Partners, and that is how we ended up
15 structuring the transaction.

16 BY COMMISSIONER GOLDNER:

17 Q Just a quick follow-up. And I'm just trying to
18 understand why it's indirect, as opposed to
19 direct. What was the logic in that decision?

20 A (Donaldson) So, we have several -- we have
21 several other entities that are owned by NextEra
22 Energy Partners, and primarily through NextEra
23 Energy Operating Partners, LP. Which, if you see
24 the Exhibit D, which kind of goes to your second

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 question, on Page 2, and let me know when you get
2 there.

3 Q Go ahead.

4 A (Donaldson) On the very bottom of Page 2, you see
5 where it says "NextEra Energy Operating Partners,
6 LP"? That is the entity that holds all of the
7 NEP assets, or NEP subsidiaries, and that is held
8 through NextEra Energy US Partners Holdings, LLC.
9 So, we have a chain of different several levels
10 of ownership, but it all indirectly flows up
11 through to NextEra Energy Partners.

12 Q Thank you. And that really leads into my second
13 question, which is, I'm just trying to understand
14 the complexity of the structure, and I counted
15 ten entities between NextEra, Inc. and Tusk. And
16 maybe, just for the Committee, if you could just
17 talk through the reasons for such a complex
18 structure?

19 A (Donaldson) Okay. So, NextEra Energy, and I
20 believe this was in Mr. Roskot's prefiled
21 testimony, NextEra Energy, Inc., formed NextEra
22 Energy Partners back in 2014. And it's a -- it's
23 a separate company from NextEra Energy, Inc. The
24 structure is --

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 I'm getting a little backfeed. So, I'm
2 not sure if you're hearing me?

3 Q We can hear you. We can hear you fine here.
4 Thank you.

5 A (Donaldson) Okay. NextEra Energy -- NextEra
6 Energy Partners, LP, is the publicly traded
7 entity that you can go out and see it on the New
8 York Stock Exchange. It has two direct owners:
9 The public unit owners that own independent
10 shares of NextEra Energy Partners, LP, and as
11 well as ownership interest by NextEra Energy
12 Partners GP. Which is the contract that
13 Mr. Nostra was talking about, the Management
14 Services Agreement contract, such that NextEra
15 Energy, through its Board of Directors -- excuse
16 me, NextEra Energy Partners, through its Board of
17 Directors, entered into that contract such that
18 NEER, which is NextEra Energy Resources, provides
19 different types of management, technical, and
20 operational services to all of the subsidiaries
21 of NextEra Energy Partners, which Tusk Holdings
22 III, and subsequently Granite Reliable Power,
23 will be part of.

24 Q Okay. Thank you. And I guess where I was headed

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 was, is that is it structured this way from a tax
2 perspective? Is that sort of the primary benefit
3 of this structure?

4 A (Donaldson) I cannot -- I cannot necessarily
5 answer the question, as far as from a tax
6 perspective. So, I'm not comfortable answering
7 that particular question. I would have to get
8 back to you with a request on that.

9 Q Okay. Thank you. Another sort of a governance
10 question. Why will GRP retain their certificate
11 and not transfer it to Tusk?

12 A (Donaldson) Well, I believe that that's the
13 current -- that's the current, it's currently
14 with GRP. And, so, the transfer of the
15 certificate was going to stay with GRP, but for
16 Tusk Holdings, being the owner of Granite
17 Reliable Power.

18 Q Okay. Thank you. If Tusk were eventually
19 disbanded, what would happen to the turbines?
20 And the reason I ask is that I heard in the
21 testimony that there's an 83K sort of set aside
22 for this, I think, for this kind of activity.
23 But removing 33 turbines, seems like it would
24 cost more than a couple thousand dollars.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 I'm just trying to understand how the
2 entity -- question number one, how the entity
3 would be disbanded? And, two, how would the
4 turbines be removed, and is there enough funding
5 for that?

6 A (Donaldson) Well, that's -- I don't believe
7 that's a question for me. That is a
8 decommissioning question.

9 And I believe that, by way of
10 historical background, that decommissioning
11 amount was the amount that was structured and
12 currently with Granite Reliable Holdings. And,
13 so, we are just taking over that decommissioning
14 amount that was -- that's what was established as
15 previously.

16 But, as far as all of the costs that
17 are going into that, I'm not sure if Mr. Nostra
18 or Mr. Roskot is able to answer those two
19 questions. But, from a historical perspective,
20 Granite Reliable currently has that
21 decommissioning amount, and that's the amount
22 that we're taking over in that letter of credit.

23 Q Okay. Thank you. I guess my follow-on question,
24 for any of the witnesses, would be what would

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 you -- what's the typical decommissioning cost
2 for a turbine? How much -- what does it cost
3 these days to decommission a turbine?

4 A (Nostra) This is Mr. Nostra. I don't have that
5 number. I'm not sure.

6 Q Okay. We can make that a record request as well.

7 This just goes to the question "is the
8 83K sufficient?", is the reason I'm asking.

9 A (Donaldson) Certainly understand the question,
10 Commissioner.

11 Q Thank you. Just a couple more brief questions.
12 For Tusk management, I notice there's a VP of
13 Wind Operations, a Jonathan Bain. How many
14 people will be employed by Tusk? I saw the org.
15 chart. Is that all the people employed by Tusk
16 or are there more people underneath that in the
17 org. chart? For any witness.

18 A (Donaldson) Mr. Nostra, do you want to take that
19 one or do you want me to take it?

20 A (Nostra) You want -- I can address the on-site
21 personnel in the operational side. I don't know
22 how much on the business side I can answer.

23 So, on the operational side, there will
24 be four to five individuals there, which is

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 standard for that size site, and what exists now.
2 And there will be some support from Florida from
3 several different divisions, both technical
4 service and operations. And then, obviously,
5 through my senior leadership, Mr. Jonathan Bain,
6 I'm a direct report to his organization, Mr. Bain
7 is responsible for the north side of North
8 America, so quite a few locations.

9 Q So, I'm just imagining a group of people working
10 across your different wind enterprises. So, you
11 know, there's a catastrophic event, a blade flips
12 off, and it travels half a mile. How are those
13 events handled? Is that Mr. Bain's team? And
14 maybe just walk the Commission through, how do
15 you handle catastrophic events and, you know, how
16 would a situation like that be managed?

17 A (Nostra) It would -- it would be reported up
18 through the site, in which we would bring in our
19 specialty subject matter experts, in both Juno
20 Beach and with the OEMs, to understand, first,
21 the root cause of the failure, and then the
22 restoration work would be planned to put the
23 machine back in its operating condition.

24 So, it would be a pretty extensive root

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 cause analysis, along with our technical
2 services, as long as our resources which do that
3 kind of work, heavy-duty maintenance type of
4 work.

5 Q Okay. And that would be managed by Mr. Bain
6 ultimately?

7 A (Nostra) Ultimately, yes.

8 Q Thank you. If you got a complaint from residents
9 or businesses, would that also be Mr. Bain's
10 responsibility?

11 A (Nostra) It would be -- it would start with the
12 operational site manager, then move on up the
13 chain of command, to -- we had to make a
14 mitigation plan and made it right. So, yes,
15 Mr. Bain would have the ultimate call on the
16 restitution or mediation.

17 Q Okay. And where is Mr. Bain located?

18 A (Nostra) Mr. Bain is also located in Juno Beach,
19 Florida, at 700 Universe Boulevard.

20 Q Thank you. And your -- the technicians that
21 would handle an event, are they -- do they
22 physically live in New Hampshire? Are they
23 deployed from the East Coast? Where are the
24 technicians physically located?

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 A (Nostra) I know that we have made offers to the
2 existing technicians at Granite. So, I would
3 assume that most of them live in New Hampshire.
4 I don't have their home addresses.

5 But, as far as the external resources,
6 they could come from all over the country, based
7 on the specialties and what's required.

8 Q Okay. But just for kind of general maintenance,
9 I know the turbines, you know, go down from time
10 to time for various events and so forth, is
11 there, in managing these 33 turbines, is there
12 half a dozen technicians or can you sort of
13 quantify the number of technicians that manage
14 these turbines?

15 A (Nostra) Yes. We plan on keeping the same
16 existing workforce that was there before, which
17 is four technicians and a Site Leader.

18 COMMISSIONER GOLDNER: Okay. Thank
19 you.

20 That's all I have, Chair Martin. Thank
21 you.

22 CHAIRWOMAN MARTIN: Okay. Thank you.

23 BY CHAIRWOMAN MARTIN:

24 Q Following up on that, those four technicians,

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Commissioner Goldner asked about location, but do
2 you know if any of those are local to the project
3 itself?

4 A (Nostra) They all are existing employees. And,
5 yes, they are local to the area.

6 Q Okay. And did you say "four technicians and a
7 Site Leader"?

8 A (Nostra) Yes. There will be four wind
9 technicians, who would actually do the trouble
10 and breakdown and the restoration work, along
11 with the preventative maintenance, as well as a
12 supervisor in charge, what we would call a "Site
13 Leader".

14 Q Okay. And are they on-site every day, the four,
15 at this point, or do they work at other projects
16 as well?

17 A (Nostra) No. They will be on-site.

18 Q And you said you made offers to them?

19 A (Nostra) Yes. As part of the transition, we had
20 the option to select and retain those employees,
21 and we made offers to those four, and they have
22 all accepted. So, we're in a transition phase of
23 onboarding them into our organization.

24 Q Okay. Great. Thank you. I have questions about

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 the other sales involved in this larger transfer.
2 The Purchase and Sales Agreement references
3 "concurrent Purchase and Sales Agreements which
4 govern the sale of the other units in the
5 portfolio." How does the inability to consummate
6 the sale of the other units affect this? I read
7 that it would cause termination.

8 Do we have any sense of whether there
9 is a risk of that or are they all moving forward
10 without issue?

11 A (Roskot) So, this is Mr. Roskot. Our expectation
12 is that they are all moving forward. So, we have
13 received the other outstanding regulatory
14 approvals, which are approval from FERC for the
15 transaction, as well as a Hart-Scott-Rodino
16 expiration. So, assuming, you know, no
17 unforeseen events, we would expect to close those
18 transactions.

19 Q And what's the timeline for closing on those?

20 A (Roskot) So, the four, the acquisition of the
21 four projects is expected to happen concurrently.
22 So, pending approval of this, this Commission, we
23 would, you know, expect to close shortly
24 thereafter.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Q Okay. Great. Thank you. Forgive me, I have to
2 look through and see whether Commissioner Goldner
3 asked a few of my questions.

4 Regarding the decommissioning financial
5 assurance, I believe, Mr. Roskot, you said "a
6 letter of credit or something similar". Is there
7 any contemplation that it might not be an
8 irrevocable standby letter of credit?

9 A (Roskot) Our current expectation is that it would
10 be a standby letter of credit. In some
11 situations, we have used a parent guarantee from
12 NextEra Energy Capital Holdings for similar
13 security. And NECH, or NextEra Capital Holdings,
14 is a A-/BBB+, is a known S&P or Moody's rated
15 entity. So, we have previously used that, but I
16 think the current expectation is that we would
17 use a standby letter of credit.

18 CHAIRWOMAN MARTIN: Okay. Mr.
19 Patnaude, did you get all that?

20 MR. PATNAUDE: I think so. I'm going
21 to be going back and checking some this anyway
22 later. But I think we're good.

23 CHAIRWOMAN MARTIN: Okay. All right
24 thank you.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 BY CHAIRWOMAN MARTIN:

2 Q I had a question about Mr. Nostra's testimony.
3 And, in part, he describes himself as being on
4 the "Year 1 Transition Team". What is the plan
5 after year one? Will Mr. Nostra stay involved or
6 is there a different team that joins at that
7 point?

8 A (Nostra) Yes. The Year 1 Leadership Team
9 supports both new acquisitions and new power --
10 and new builds. Usually, within six months to a
11 year, after that transition phase, we would
12 reassign my position to a Regional Manager, who
13 is usually within that region of the Company.
14 There's currently quite a few Regional Managers
15 throughout the United States and Canada. So,
16 this would fall into one of their portfolio
17 units, once the transition phase was over.

18 Q Have you identified that person?

19 A (Nostra) We believe it will be Mr. Martin Davison
20 at this time.

21 Q Can you describe his qualifications please?

22 A (Nostra) I don't personally know his
23 qualifications. But I know he has wind
24 experience, vast wind experience. We can get you

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 that information, if you like?

2 Q Can either of the other witnesses answer that
3 question?

4 A (Roskot) I cannot.

5 A (Donaldson) Madam Chair, we'll be able to get you
6 the information on his background.

7 Q Okay. Thank you. I just had a general question
8 as to whether there are planned changes in
9 operations of the project?

10 A (Nostra) Not at this time. We will still use
11 prudent operating practices, as we do at our
12 other wind sites. So, I don't see any change in
13 the normal operation as it is right now.

14 CHAIRWOMAN MARTIN: Okay. Thank you.
15 If you could keep your voice up, I think you're
16 trailing off. And I think that makes it hard for
17 the stenographer.

18 WITNESS NOSTRA: Did you hear the whole
19 answer or would you like me to repeat it?

20 CHAIRWOMAN MARTIN: Mr. Patnaude, did
21 you get that?

22 MR. PATNAUDE: Yes. I got it.

23 CHAIRWOMAN MARTIN: Okay. Thank you.

24 BY CHAIRWOMAN MARTIN:

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Q There was a reference to "periodically updating
2 the letter of credit as the Committee deems
3 necessary." Is there a history related to the
4 updating? Was it ten years previously, related
5 to the financial assurance?

6 A (Roskot) I would defer to our counsel on that.

7 CHAIRWOMAN MARTIN: Okay. Perhaps, Mr.
8 Patch, you can address that in your closing.

9 MS. GEIGER: Madam Chairwoman, for the
10 sake of expediency, I might be able to address it
11 now, if you please?

12 CHAIRWOMAN MARTIN: Go ahead.

13 MS. GEIGER: The issue surrounding
14 decommissioning are part of an agreement that
15 Granite Reliable Power has with Coos County.
16 That agreement was appended to the original order
17 from the SEC granting the Certificate of Site and
18 Facility.

19 So, the answers to the questions about
20 "how decommissioning will happen?" and "how often
21 decommissioning assurances will be updated?",
22 are, you know, the answers to those questions are
23 found in that agreement.

24 And, to answer the specific question

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 about "how frequently those costs are updated?",
2 the Coos County agreement indicates that it's
3 "every five years".

4 CHAIRWOMAN MARTIN: Okay. Thank you.
5 Ms. Geiger, do you have knowledge of the amount
6 and the question that Mr. -- Commissioner Goldner
7 asked related to the 84,000?

8 MS. GEIGER: I do not have that, that
9 information. Other than to refer the Committee
10 to the -- to the Coos County agreement that
11 spells how the decommissioning costs are going to
12 be reviewed.

13 CHAIRWOMAN MARTIN: Okay. Thank you,
14 Ms. Geiger.

15 BY CHAIRWOMAN MARTIN:

16 Q I also had a question about the language that was
17 requested related to change in ownership and
18 change in control. It appeared to me that that
19 was a change both from the original Certificate
20 language and from the amendment in the last
21 transfer. Can somebody speak to that please, and
22 detail the language change, and why that would be
23 necessary here?

24 A (Roskot) I may be able to speak to that. Can you

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 point me to the specific location of that?

2 Q I know that it was in your proposed order. And
3 also, I believe it is one of the specific
4 requests in the Petition.

5 MR. IACOPINO: It's Request Number C,
6 Madam Chair. "That GRP is not required to obtain
7 written assent of the Committee in advance of any
8 change in ownership so long as NEP, or one of its
9 affiliates, maintains a controlling interest in
10 GRP."

11 MR. PATCH: If I could answer that
12 question? It's my understanding that that's
13 essentially the same condition that was contained
14 in the order from the Committee when Brookfield
15 came in and took it over from Noble. So, I
16 think, if you go back and look at the language in
17 there, I think it's essentially the same. That's
18 my recollection.

19 CHAIRWOMAN MARTIN: Okay. So, you
20 wouldn't have an issue if we went the identical
21 language from the prior?

22 MR. PATCH: And I think we -- pretty
23 specifically, that's what we were looking for. I
24 guess I'd have to go back and verify whether it's

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 exactly the same. But I think it's very similar,
2 if not exactly the same.

3 CHAIRWOMAN MARTIN: Okay. Thank you.
4 My reading was that it was slightly different.

5 MR. PATCH: Okay.

6 CHAIRWOMAN MARTIN: And, to the extent
7 that it is, it would be helpful to understand why
8 that's necessary here.

9 MR. PATCH: Yes. I mean, again, I
10 think it's something that the Committee has done
11 in other proceedings, where, you know, as long as
12 the controlling interest is the same, then trying
13 to avoid the necessity to have a full proceeding
14 like this in every circumstance, where there may
15 be some sort of a change in ownership interest.

16 CHAIRWOMAN MARTIN: Okay. Thank you,
17 Mr. Patch.

18 I believe we have hit all of my
19 questions. Let me just double-check.

20 Yes. I think that is all of them.
21 Thank you, everyone. And I think, at this point,
22 the Committee will take a brief recess, and
23 return at --

24 MR. IACOPINO: Madam Chair, before we

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 do that, could I ask just a couple questions?

2 CHAIRWOMAN MARTIN: Sure. Go ahead,

3 Mr. Iacopino.

4 BY MR. IACOPINO:

5 Q I think, Mr. Roskot, I think you would be the
6 person to answer this. I know that Mr. Donaldson
7 mentioned that the indirect parent, being I think
8 it's NEP Partners, sells stock. Do you
9 anticipate that there is any other type of
10 investment in the Company, in tax equity
11 investment or other types of investors, other
12 than sale of that entity's common stock on the
13 public markets?

14 A (Roskot) We currently do not anticipate, at the
15 NextEra Energy Partners level, any other
16 financing. You know, we use both common equity
17 at NEP, and then we also use, you know, debt
18 securities or debt-like securities as well. We
19 currently, at the NEP level, do not forecast that
20 we would use any other issuances at the NEP
21 level.

22 Q How about at the Tusk level?

23 A (Roskot) Sorry. I couldn't hear that.

24 Q I said -- I'm sorry. How about at the level

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 where Tusk Wind Holdings, LLC, is?

2 A (Roskot) Oh. No. No. At the Tusk level, we do
3 not anticipate any incremental financing either.
4 So, there is nothing anticipated for Tusk. No
5 tax equity, given that there's no existing tax
6 credits on this. And no incremental Tusk level
7 financing either.

8 Q So, if I understand correctly then, it's
9 structured as an indirect transaction, so that
10 you can draw an additional common equity from
11 public markets?

12 A (Roskot) Yes. Exactly. So, we can finance it at
13 the NEP level.

14 Q Okay. Thank you. A couple of clean-up
15 questions.

16 Mr. Nostra, the four to five local
17 technicians and their leader, are they all
18 full-time positions?

19 A (Nostra) Yes, they are.

20 Q And I don't know, the lawyers might have to
21 answer this one for me, but does anybody know
22 what the date of completion of construction was?

23 MR. PATCH: I believe we had put in the
24 Petition that the date of commercial operation

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 was February of 2012. But you're asking
2 specifically about when the construction was
3 done.

4 MR. IACOPINO: Well, what I'm looking
5 at is the Decommissioning Agreement that says
6 that "The decommissioning fund will be fully
7 established within ten years following completion
8 of construction of the project." So, I'm just
9 trying to see where we are in that, and whether
10 or not the decommissioning fund has been fully
11 established?

12 MR. PATCH: I don't know if Mr. Pachios
13 would know when the construction was completed.
14 He's been involved in the project. I don't know,
15 Mr. Pachios, is that a question you could answer?
16 Or, again, we could take a record request on
17 that.

18 *[No indication given.]*

19 MR. PATCH: Maybe he didn't hear my
20 question.

21 WITNESS ROSKOT: The filing does say
22 that construction was completed in 2012. It
23 doesn't specify a date.

24 BY MR. IACOPINO:

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Q And do we know, and I assume, Mr. Roskot, you did
2 some -- you and your company did some due
3 diligence. Do you know where you are with the
4 county, in terms of fully establishing the
5 decommission fund?

6 A (Roskot) So, my understanding is the
7 decommissioning is the 83,000, I don't know the
8 exact amount, 400 odd dollar amount (\$83,403.30).
9 And that is currently -- the security for that
10 currently exists and is filed by -- or, posted by
11 Granite.

12 Q As had been expressed by the Committee members,
13 that seems kind of low for 33 wind turbines. So,
14 I'm just pointing that out. It sounds as though
15 you're still within the ten years to establish
16 it, and there will be some process with the
17 County Commissioners that would occur?

18 A (Roskot) So, I know we owe you the dollar per
19 turbine estimated decommissioning cost, and we
20 will follow up with that. What I will say is, in
21 our financial analysis, as part of this
22 transaction, we did include any anticipated
23 decommissioning costs, based on input from our
24 operating team. So, we can confirm kind of what

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 that assumption is. But we assume that --

2 Q Can you provide [*Indecipherable audio*] --

3 A (Roskot) Sorry. Can you repeat the question?

4 Q Can you provide your estimated decommissioning
5 cost to the Committee?

6 A (Roskot) Yes. We can. I just -- I would need
7 to -- I do not have the number in front of me.
8 So, we can follow up with that.

9 Q Thank you. Just one other question about the
10 portfolio that's actually the subject of the
11 gross closing. I understand that the other
12 projects are in California. Are they in an area
13 where they are subject to any fire damage or acts
14 of God that might affect the closing?

15 A (Roskot) I do not know the specific answer, just
16 because I know there's widespread risk of fire
17 within California. So, I don't have a specific
18 answer to that. I know I have not heard of any
19 concerns related to wildfires and those assets
20 specifically.

21 MR. IACOPINO: Okay. Thank you. I
22 don't have any further questions, Madam Chair.

23 CHAIRWOMAN MARTIN: Okay. The
24 Committee will take a brief recess until 10:30.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 And, to the extent you are able to get any
2 answers to those questions in the interim, we
3 could avoid record requests wherever possible.

4 MR. PATCH: Thank you.

5 CHAIRWOMAN MARTIN: Off the record.

6 (Recess taken at 10:14 a.m. and the
7 hearing resumed at 10:52 a.m.)

8 CHAIRWOMAN MARTIN: All right. Let's
9 go back on the record. And I'm going to turn to
10 Mr. Patch and Ms. Geiger, to the extent they have
11 answers that might avoid the record requests.

12 MR. PATCH: We have some answers to the
13 questions raised by the Committee members. We
14 appreciate your indulgence on this. And, in
15 redirect, we hope to be able to answer these
16 questions.

17 So, I'm going to start with Mr. Nostra.

18 **REDIRECT EXAMINATION**

19 BY MR. PATCH:

20 Q And let me just first clarify one thing, Mr.
21 Nostra. I think, in response -- or, actually,
22 during direct examination, you used the word
23 "subsidy". And is it fair to say that what you
24 meant to say was "subsidiary"?

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 A (Nostra) Yes.

2 Q And, that's primarily to help out Mr. Patnaude,
3 so that -- because I would anticipate a question
4 about that. But that's what you meant was
5 "subsidiary", correct?

6 A (Nostra) Correct.

7 Q Yes. Now, there was a question about
8 Mr. Davison's qualifications. Do you remember
9 that question that you received from a Committee
10 member?

11 A (Nostra) I do.

12 Q And have you got an answer to that question?

13 A (Nostra) Yes.

14 Q Could you provide that, you know, orally to the
15 Committee at this point? If the Committee would
16 like a copy of Mr. Davison's qualifications, we
17 would be happy to submit that as well.

18 So, could you go ahead and provide that
19 orally?

20 A (Nostra) Yes. Mr. Davison has -- Mr. Davison has
21 over 20 years of experience in operations and
22 account management experience. He also has
23 extensive experience in management leadership of
24 the Vestas assets, which are at this site also.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 MR. PATCH: Okay. I have no other
2 questions of Mr. Nostra. But I believe Ms.
3 Geiger has some questions.

4 CHAIRWOMAN MARTIN: Mr. Patch, can I
5 just interject, so that I can clarify?

6 MR. PATCH: Sure.

7 BY CHAIRWOMAN MARTIN:

8 Q You said "20 years of" -- "over 20 years of
9 experience in operations", can you confirm that's
10 wind facility operations?

11 A (Nostra) He's been in the -- 20 years' worth of
12 operational/management experience. It appears
13 he's been in the wind business since 2008.

14 Q Okay. Thank you. And that was as
15 operational/management type experience?

16 A (Nostra) Correct. As a management position since
17 2008.

18 CHAIRWOMAN MARTIN: All right. Thank
19 you.

20 BY MR. IACOPINO:

21 Q Is he the current manager up there?

22 A (Nostra) No. No, he is not. He's with NextEra
23 Energy Resources.

24 CHAIRWOMAN MARTIN: Go ahead, Ms.

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 Geiger.

2 MS. GEIGER: Thank you. These
3 questions are for Mr. Roskot.

4 BY MS. GEIGER:

5 Q Mr. Roskot, I believe you've heard the
6 Subcommittee's questions regarding
7 decommissioning, as they relate to the funding
8 and assurances. Are you familiar with the
9 agreement that Granite Reliable Power currently
10 has with Coos County, regarding when Granite
11 Reliable must fully fund its decommissioning
12 obligations?

13 A (Roskot) Yes. I am familiar with the agreement.
14 And it is within ten years of completion of
15 construction, which is in early 2022.

16 Q And, if Tusk -- if Tusk proceeds with this
17 transaction, what, if any, assurances will it be
18 willing to give, regarding the assumption of
19 Granite Reliable's decommissioning
20 responsibilities?

21 A (Roskot) Yes. So, if Tusk proceeds, we are fully
22 committed to assuming all the obligations of
23 Granite Reliable Power under the agreement with
24 the County. Additionally, we are open to

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 discussions with the County. And, to the extent
2 they deem the current decommissioning amount
3 insufficient, we would be willing to meet any
4 requirements that they have.

5 And, finally, following our discussions
6 with the County, we would be open to reporting
7 back to the Commission on the status and any
8 outcomes of those discussions.

9 MS. GEIGER: Thank you. Madam
10 Chairwoman, does that additional information
11 provided by Mr. Roskot satisfy the Subcommittee,
12 with respect to the decommissioning questions?

13 CHAIRWOMAN MARTIN: I think that the
14 Committee probably would like to hear information
15 related to the estimate for decommissioning that
16 was mentioned earlier, and the cost per turbine
17 as well as part of that.

18 WITNESS ROSKOT: I can provide an
19 estimate on that as well. We checked internally.

20 So, our current best estimate for
21 decommissioning costs, which is based on a site
22 that we are in the process of acquiring
23 currently --

24 MS. GEIGER: Mr. Roskot, excuse me. Is

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 this --

2 WITNESS ROSKOT: Yes.

3 MS. GEIGER: Is this confidential
4 information that needs to go on the confidential
5 record?

6 WITNESS ROSKOT: Yes. If we can treat
7 it as confidential, that would be preferable.

8 CHAIRWOMAN MARTIN: Okay. So, Mr.
9 Patch, Ms. Geiger, is there anyone on the screen
10 that should not see or hear any confidential
11 information? And, Ms. Lemay, can you hear me?

12 MS. LEMAY: Yes, I can.

13 CHAIRWOMAN MARTIN: Do we any
14 participants who are not on the screen?

15 MS. LEMAY: Yes, there are. There are
16 three.

17 CHAIRWOMAN MARTIN: Could you please
18 name those people?

19 MS. LEMAY: Barbara Tatro, there is a
20 call-in user, and Mitchell Ross.

21 CHAIRWOMAN MARTIN: Okay. So, we don't
22 know who the call-in user is.

23 MS. GEIGER: Mr. Ross can stay on.

24 CHAIRWOMAN MARTIN: And Ms. Tatro?

[WITNESS PANEL: Nostra|Roskot|Donaldson]

1 MR. PATCH: I believe she's a reporter.

2 CHAIRWOMAN MARTIN: Okay. So,

3 Ms. Lemay, are you able to create a confidential
4 session that excludes Ms. Tatro and the call-in
5 person?

6 MS. LEMAY: Yes. So, what I can do is
7 move Mitchell Ross up as a participant and start
8 a practice session.

9 CHAIRWOMAN MARTIN: Thank you. Let us
10 know when we're all set.

11 MS. LEMAY: Thank you.

12 (Short pause to enable a Confidential
13 Session. **Pages 66 through 69** are
14 contained under separate cover in a
15 **CONFIDENTIAL SESSION.**)

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[WITNESS PANEL: Nostra | Roskot | Donaldson]

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[CONFIDENTIAL & PROPRIETARY]

1 **(Public session resumes.)**

2 MS. LEMAY: Okay. Practice session has
3 ended.

4 CHAIRWOMAN MARTIN: Okay. Thank you,
5 Ms. Lemay.

6 All right. We are going to have
7 closings, as I understand it. Mr. Brooks, are
8 you going to have a closing as well?

9 MR. BROOKS: Just a few words.

10 CHAIRWOMAN MARTIN: Okay. Before we do
11 that, we have exhibits that are marked for
12 identification. Any objection to a full
13 admittance of those exhibits?

14 MR. BROOKS: No objection.

15 CHAIRWOMAN MARTIN: Okay. Then, we'll
16 strike ID on Exhibits 001 through 013, JP 001
17 through 013, and admit them as full exhibits.

18 And I just want to double-check with
19 the Committee members. Any need for the record
20 requests at this point? Commissioner Goldner?

21 COMMISSIONER GOLDNER: I have
22 everything I need. Thank you.

23 CHAIRWOMAN MARTIN: Okay. Thank you.
24 Then, we'll take closings, starting with Mr.

1 Brooks.

2 MR. BROOKS: Thank you.

3 I don't have much to add. Again, as
4 you see, the Applicant has answered my questions,
5 and those answers have been placed into the
6 record.

7 With respect to the questions about the
8 structure, and holding companies and
9 subsidiaries, I have those same questions as
10 well. And those are always a tension between our
11 goal, I think, as regulators, which is to have as
12 many entities liable as possible, and a company's
13 goal, which is to limit its liability, which is
14 the reason why a lot of these companies are
15 formed.

16 I think that you'll even notice, and
17 Attorney Patch can point me to this, but, in a
18 prior case, I pushed this issue I think farther
19 than even the Committee was comfortable going,
20 looking to say how can we find these companies
21 liable and maybe hold them liable. And I think
22 that a intermediate, I think, solution was
23 reached in that case.

24 And there is, on my part, a recognition

1 that these holding companies perform a normal
2 function. It's not pulling the wool over your
3 eyes. They have a legitimate business function.
4 And, in fact, that is the structure, my
5 understanding, that currently exists.

6 So, if you look at BAIF, that is a
7 company that I believe is already a subsidiary of
8 Brookfield or a number of other Brookfield
9 entities. Brookfield used to be "Brascan", a
10 Canadian company, does a lot of hydro. And
11 Freshet is also a similar type company. So, that
12 structure is still there.

13 So, one of the things I look at is to
14 say "is the Company taking it over some
15 fly-by-night company or is it a company that
16 actually successfully runs this type facility and
17 has in the past?"

18 NextEra is also a known entity.
19 NextEra, you may be familiar with, runs the
20 Seabrook nuclear facility. I worked on the
21 relicensing of that facility. So, I have a lot
22 of background with that company. And you can see
23 that they are certainly not a fly-by-night
24 company. They have a lot of financial resources.

1 And, between NEP and NEER, they have
2 successfully run a lot of solar and wind
3 facilities. So, I don't have those concerns.

4 I think the structure is at least as
5 good as it was under the prior certificate. And,
6 so, I have no objection to the proposed order.

7 CHAIRWOMAN MARTIN: Okay. Thank you,
8 Mr. Brooks. And Mr. Patch.

9 MR. PATCH: Yes. Thank you.

10 Maybe, first of all, to respond to what
11 Mr. Brooks said about a citation to a prior order
12 of the Committee. It's actually in the response
13 to the data requests. I think it may be in both,
14 but at least in CFP 1-2, near the end. And where
15 it was noted that the Committee has noted that
16 the use of a single-purpose entity to construct
17 and operate a project is common in the industry.
18 And the Committee noted that in SEC Docket Number
19 2018-03. It was a Decision and Order approving
20 the transfer of ownership interests in Antrim
21 Wind Energy, and that was dated "February 15,
22 2019", and that was on Page 11. So, just to
23 complete that.

24 We would respectfully request that the

1 Subcommittee approval of this transfer, the
2 ownership of the membership interests in Granite
3 Reliable Power to Tusk Wind Holdings III, LLC, we
4 would request approval of that.

5 We believe that the record before the
6 Subcommittee shows by a preponderance of the
7 evidence that Tusk has the necessary managerial,
8 technical, and financial capability to ensure the
9 facility is operated in continuing compliance
10 with the terms and conditions of the Certificate.
11 The Petition, the prefiled testimony, live
12 testimony provided here today, responses to data
13 requests, and other exhibits all support this.

14 The NextEra affiliates that will be
15 providing service and financial support to Tusk,
16 through the agreements that have been provided to
17 the Subcommittee have significant experience in
18 owning, operating, and financing wind power
19 facilities and other generating facilities.
20 Experience that will ensure that this facility is
21 owned and operated in continuing compliance with
22 the terms and conditions of the Certificate.

23 NextEra and its affiliates have a track
24 record in New Hampshire. Mr. Brooks mentioned

1 this. It has been recognized by the Site
2 Committee, and the Public Utilities Commission in
3 other dockets, where both bodies have found that
4 it has the necessary financial, managerial, and
5 technical capability. We cited to those dockets
6 in our Petition, Pages 8 to 9.

7 There's no testimony or evidence in the
8 record that is contrary to what the Joint
9 Petitioners have put forward. There's no
10 opposition to the transfer. The only other party
11 in the docket, Counsel for the Public, has
12 already indicated his position. And, as we have
13 noted, the record clearly supports supporting the
14 transfer.

15 The parties to the transaction are
16 eager to close on the transaction. So, for all
17 of these reasons, we urge a speedy resolution of
18 the matter.

19 And we thank you for your attention.

20 CHAIRWOMAN MARTIN: Thank you, Mr.
21 Patch. Any questions from Committee members?

22 *[No verbal response.]*

23 CHAIRWOMAN MARTIN: Okay. Seeing none.
24 We will close the record on the hearing portion

[DELIBERATIONS]

1 of this proceeding.

2 The Committee will take a brief break
3 to determine whether it will come back and
4 commence deliberations. Off the record.

5 (Recess taken at 11 a.m. and the
6 hearing resumed at 11:23 a.m.)

7 CHAIRWOMAN MARTIN: The Site Evaluation
8 Committee is prepared to deliberate this docket.

9 **D E L I B E R A T I O N S**

10 CHAIRWOMAN MARTIN: And, at the outset,
11 I think we will start by hearing from each
12 Committee member, regarding what they heard today
13 for evidence and the proposal.

14 And I'll start with Mr. Baines.

15 MR. BAINES: Yes. The concern was
16 addressed when we met last time, about the
17 decommissioning costs. And I feel strongly that
18 we need a motion to make sure that actual costs
19 are conveyed to the County, and be part of the
20 record of our hearing today.

21 I know that's a major issue that seems
22 to be shared by the Commission -- the SEC, and
23 the Subcommittee.

24 CHAIRWOMAN MARTIN: Okay. Thank you.

[DELIBERATIONS]

1 I know I felt similarly, the number that we heard
2 sounded very small, as compared to the costs that
3 would be expeted for decommissioning. And I do
4 understand the salvage cost that was shared, but
5 I also understand that the rules -- the SEC rules
6 don't take into account salvage cost. And, so, I
7 think that the decommissioning amount is very
8 small, comparatively speaking.

9 Commissioner Goldner.

10 COMMISSIONER GOLDNER: Yes. I'll just
11 add that salvage costs are highly variable. So,
12 at the moment, salvage costs might easily cover
13 the total, but, in the future, it might not. And
14 we're talking about decommissioning that might
15 happen in -- a long, long time down the road, or
16 maybe it doesn't. But, in either case, I think
17 it will -- I think it's important, and
18 independent of the legal aspect, to make sure
19 that we fully thought through what would happen
20 if salvage costs change.

21 MR. BAINES: Could the Chair suggest
22 some language that would encompass some of our
23 concerns going forward.

24 CHAIRWOMAN MARTIN: I would propose,

[DELIBERATIONS]

1 and this is somewhat along the lines of what Ms.
2 Geiger -- or, what Mr. Roskot mentioned related
3 to the decommissioning.

4 That it's the Site Evaluation
5 Committee's expectation that the Company will
6 provide a full estimate of decommissioning to the
7 County, as was just provided to us. And that the
8 decommissioning costs will be calculated in
9 accordance with the SEC rules, as we just
10 mentioned, regarding salvage. And that, once
11 that's confirmed, that amount be fully funded,
12 and a report back to the Committee be made.

13 MR. BAINES: We could authorize our
14 attorney to convey that?

15 CHAIRWOMAN MARTIN: Our attorney, our
16 counsel, if we authorize our counsel to draft the
17 Order --

18 *[Court reporter interruption due to*
19 *audio issues.]*

20 MR. BAINES: The last thing I said was
21 basically captured by the Chair, in terms of
22 authorizing our attorney to convey this to the
23 entities. So, I would make that motion.

24 COMMISSIONER GOLDNER: I can second it.

[DELIBERATIONS]

1 CHAIRWOMAN MARTIN: Okay. So, we have
2 a motion to authorize our counsel, in drafting
3 the Order, to include the expectation as I just
4 recounted.

5 Counsel, do you have that?

6 MR. IACOPINO: I do have that. And, if
7 I understand it correctly, that it is the
8 expectation that the decommissioning fund
9 assurance will comply with our rules, Site
10 301.08, I believe it's (a)(7), requires the
11 decommissioning costs be estimated without
12 respect to salvage value.

13 MR. BAINES: That captures it.

14 CHAIRWOMAN MARTIN: And I believe that
15 they will provide the full estimate of
16 decommissioning that they provided to us, and
17 confirm that, that that amount will be fully
18 funded, and report back. You have all of that?

19 MR. IACOPINO: I have that. Thank you.

20 CHAIRWOMAN MARTIN: Okay. Any further
21 discussion on this motion?

22 MR. IACOPINO: I will incorporate that
23 within the Order.

24 CHAIRWOMAN MARTIN: Okay. Do we need

[DELIBERATIONS]

1 to take an actual live vote on each component or
2 shall we do it at the end?

3 MR. IACOPINO: I would recommend, Madam
4 Chair, that you take a vote on each of the
5 requirements of financial, managerial, and
6 technical capabilities, and then a final vote on
7 whether or not to grant the Petition, with any
8 conditions.

9 MR. BAINES: But there should be a vote
10 on what we just --

11 MR. IACOPINO: Yes. That would be in
12 that final --

13 MR. BAINES: That will be in the final.

14 CHAIRWOMAN MARTIN: Okay. So, we'll
15 just identify the conditions, and then do that at
16 the end. Okay.

17 All right. So, as we understood, to
18 approve the transfer, the proposed owner had to
19 demonstrate by the preponderance of the evidence
20 that it possesses adequate financial, managerial,
21 and technical capabilities to assure that the
22 conditions of the certificate are continuously
23 met. The preponderance of the evidence standard
24 is that it is more likely than not.

[DELIBERATIONS]

1 And let's start with the financial
2 capabilities.

3 MR. BAINES: Madam Chair, I move,
4 having considered the filings in this case,
5 including the attached exhibits, as well as the
6 exhibits presented today, and having considered
7 the nature of the proposed transaction, all the
8 exhibits and the testimony, I believe that Tusk
9 has the managerial capability to operate the
10 project in accordance with the conditions of the
11 Certificate.

12 Specifically, I considered, number one,
13 Tusk and its parent companies' experience in
14 securing funding to construct and operate an
15 energy facility similar to the proposed facility;
16 two, the experience and expertise of Tusk and its
17 advisors; three, Tusk statements of the current
18 and pro forma assets and liabilities of GRP; and
19 financial commitments Tusk and its parents have
20 obtained or made in support of the construction
21 and operation of the proposed facility.

22 Therefore, I find and move that we find
23 that Tusk has sufficient financial capacity.

24 COMMISSIONER GOLDNER: I'll second it.

[DELIBERATIONS]

1 CHAIRWOMAN MARTIN: Okay. Any
2 discussion?

3 *[No indication given.]*

4 CHAIRWOMAN MARTIN: All right. Hearing
5 none. We'll take a vote.

6 Mr. Baines?

7 MR. BAINES: Yes.

8 CHAIRWOMAN MARTIN: Mr. Goldner?

9 COMMISSIONER GOLDNER: Yes.

10 CHAIRWOMAN MARTIN: And the Chair votes
11 "yes". It's unanimous. The motion carries
12 related to financial capabilities.

13 And we will move on now to managerial
14 capabilities.

15 We have to find that the proposed owner
16 possesses the adequate managerial capabilities to
17 assure that the conditions of the Certificate are
18 continuously met.

19 Any discussion or motion?

20 MR. BAINES: Commissioner Goldner?

21 COMMISSIONER GOLDNER: Yes. I can make
22 the motion.

23 Having considered the filings in this
24 case, including the attached exhibits, as well as

[DELIBERATIONS]

1 the exhibits presented today, having considered
2 the nature of the proposed transaction, all of
3 the exhibits and testimony, I believe that Tusk
4 has the technical capability to operate the
5 project in accordance with the conditions of the
6 Certificate.

7 Specifically, I considered Tusk, number
8 one, Tusk and its parent companies' experience in
9 designing, constructing, and operating --

10 CHAIRWOMAN MARTIN: Commissioner
11 Goldner?

12 COMMISSIONER GOLDNER: Yes.

13 CHAIRWOMAN MARTIN: Can I just back you
14 up? I'm on the managerial capability, as opposed
15 to the technical.

16 COMMISSIONER GOLDNER: Managerial. My
17 apologies.

18 MR. BAINES: That's the third motion on
19 the list.

20 COMMISSIONER GOLDNER: All right.
21 Then, so, I'll start over again with -- should I
22 start at the beginning?

23 CHAIRWOMAN MARTIN: Yes, please.

24 COMMISSIONER GOLDNER: Absolutely.

[DELIBERATIONS]

1 Having considered the filings in this
2 case, including the attached exhibits, as well as
3 the exhibits presented today, and having
4 considered the nature of the proposed
5 transaction, all of the exhibits and testimony, I
6 believe that Tusk has the managerial capability
7 to operate the project in accordance with the
8 conditions of the Certificate.

9 Specifically, I considered, number one,
10 Tusk and its parent companies' experience in
11 managing the construction and operating of energy
12 facilities similar to the proposed facility; and,
13 number two, the experience and expertise of
14 contractors and consultants it engaged or to be
15 engaged by Tusk to provide managerial support for
16 the construction and operation of the proposed
17 facility if known at the time.

18 Therefore, I find and move that we find
19 Tusk has sufficient technical -- or, sufficient
20 managerial capability.

21 MR. BAINES: Madam Chair, I second that
22 motion.

23 CHAIRWOMAN MARTIN: Okay. Any
24 discussion?

[DELIBERATIONS]

1 COMMISSIONER GOLDNER: No.

2 CHAIRWOMAN MARTIN: Okay. And I would
3 just like to add that I found the evidence
4 compelling on this question. The managerial
5 capability of the proposed owner was clear, both
6 through contract and through the fact that they
7 are hiring the current technicians that are
8 on-site, and so ensuring the continued technical
9 capabilities.

10 MR. BAINES: Madam Chair, I concur with
11 those comments.

12 CHAIRWOMAN MARTIN: Okay. Any other
13 comment?

14 *[No indication given.]*

15 CHAIRWOMAN MARTIN: All right. Seeing
16 none. We'll take a vote.

17 Mr. Baines?

18 MR. BAINES: Yes.

19 CHAIRWOMAN MARTIN: Mr. Goldner?

20 COMMISSIONER GOLDNER: Yes.

21 CHAIRWOMAN MARTIN: And the Chair votes
22 "yes". It's unanimous. The motion carries
23 related to managerial capabilities.

24 Moving on to technical capabilities.

[DELIBERATIONS]

1 The question of whether the proposed owner
2 possesses the adequate technical capabilities to
3 assure that the conditions of the Certificate are
4 continually met.

5 MR. BAINES: Madam Chair, having
6 considered the filings in this case, including
7 the attached exhibits, as well as the exhibits
8 presented today, and having considered the nature
9 of the proposed transaction, all of the exhibits
10 and the testimony, I believe that Tusk has the
11 technical capability to operate the project in
12 accordance with the conditions of the
13 Certificate.

14 Specifically, I considered, number one,
15 Tusk and its parent companies' experience in
16 designing, constructing, and operating energy
17 facilities similar to the proposed facility; and,
18 number two, the experience and expertise of any
19 Tusk -- of Tusk and its parent companies'
20 contractors and consultants engaged or to be
21 engaged by the Applicant to provide technical
22 support for the continued operation of the
23 proposed facility.

24 Therefore, I find and move that we find

[DELIBERATIONS]

1 that Tusk has sufficient technical capacity.

2 CHAIRWOMAN MARTIN: Is there a second?

3 COMMISSIONER GOLDNER: I'll second.

4 CHAIRWOMAN MARTIN: Commissioner

5 Goldner seconded. Any discussion?

6 *[No indication given.]*

7 CHAIRWOMAN MARTIN: Okay. Seeing none.

8 And, again, on this one, I will add the
9 technical capability of the parent companies of
10 Tusk was firmly established in this record. And
11 I have no question related to their technical
12 capability to perform and consistent with the
13 conditions of the Certificate.

14 And, with that, we'll take a vote.

15 Mr. Baines?

16 MR. BAINES: Yes.

17 CHAIRWOMAN MARTIN: Mr. Goldner?

18 COMMISSIONER GOLDNER: Yes.

19 CHAIRWOMAN MARTIN: The Chair votes
20 "yes". It's unanimous. The motion carries on
21 the technical capabilities.

22 Now, let's discuss any potential
23 conditions that the Committee would like to add.

24 We have the one related to the decommissioning

[DELIBERATIONS]

1 funding.

2 MR. BAINES: Would you summarize that,
3 and then I will move that. We already moved it
4 early on, but didn't vote on it.

5 CHAIRWOMAN MARTIN: Counsel, did you
6 want us to do one motion related to conditions or
7 one for each?

8 MR. IACOPINO: We probably should
9 address in the record each condition that the
10 Committee seeks to impose. I am only aware of
11 the one that has already been discussed.

12 CHAIRWOMAN MARTIN: Okay.

13 MR. BAINES: That's my only condition.

14 CHAIRWOMAN MARTIN: Okay. I have a
15 couple other topics I just want to raise before
16 we conclude, but I'm happy to wrap this one up
17 first.

18 What I have, and I will read, but I
19 think our counsel has confirmed he has it, is
20 that the -- that the Site Evaluation -- it is the
21 Site Evaluation Committee's expectation that the
22 Company, Tusk, will provide a full estimate of
23 decommissioning costs, as provided to the
24 Committee today, calculated in accordance with

[DELIBERATIONS]

1 SEC rules, as cited by our counsel. And, once
2 that is confirmed, that amount will be fully
3 funded, and reported back to the Committee.

4 MR. BAINES: And I so move.

5 CHAIRWOMAN MARTIN: Okay. Is there a
6 second?

7 COMMISSIONER GOLDNER: I'll second it.

8 CHAIRWOMAN MARTIN: Any discussion?

9 *[No indication given.]*

10 CHAIRWOMAN MARTIN: Okay. We've had
11 some significant discussion on that one. So, I
12 will just go to the vote.

13 Mr. Baines?

14 MR. BAINES: Yes.

15 CHAIRWOMAN MARTIN: Mr. Goldner?

16 COMMISSIONER GOLDNER: Yes.

17 CHAIRWOMAN MARTIN: And the Chair votes
18 "yes". It's unanimous. The motion carries.

19 A couple of other issues I wanted to
20 put on the table.

21 One is, we heard a reference to the
22 updating period of time for that financial
23 assurance. And, in the Petition, the Joint
24 Petitioners said that they would "periodically

[DELIBERATIONS]

1 update this amount as the Committee deems
2 necessary and appropriate, such as every ten
3 years." We did hear during testimony that the
4 Coos County agreement references "five years".
5 So, I would suggest that we include the "five
6 years" as part of our order.

7 MR. BAINES: So moved.

8 CHAIRWOMAN MARTIN: Is there a second?

9 COMMISSIONER GOLDNER: Seconded.

10 CHAIRWOMAN MARTIN: Any discussion?

11 *[No verbal response.]*

12 CHAIRWOMAN MARTIN: Okay. Seeing none.

13 Mr. Baines?

14 MR. BAINES: Yes.

15 CHAIRWOMAN MARTIN: Mr. Goldner?

16 COMMISSIONER GOLDNER: Yes.

17 CHAIRWOMAN MARTIN: And the Chair votes
18 "yes". Unanimous. The motion carries.

19 And the last item I wanted to address
20 was the "change of ownership" language, which is
21 part of the requested actions. Based upon what
22 we heard today, I don't see anything in the
23 evidence that suggests that there should be a
24 change, and, in fact, I understood from counsel

[DELIBERATIONS]

1 for the Joint Petitioners that there wasn't a
2 change.

3 However, to be clear, I would prefer
4 that we simply direct our counsel to have the
5 going-forward language stay consistent with the
6 language as it was included in the prior
7 amendment and the Certificate.

8 Is there any discussion?

9 MR. BAINES: I so move.

10 CHAIRWOMAN MARTIN: Thank you. And a
11 second?

12 COMMISSIONER GOLDNER: I'll second it.

13 CHAIRWOMAN MARTIN: All right. Any
14 discussion?

15 *[No indication given.]*

16 CHAIRWOMAN MARTIN: Seeing none.
17 Mr. Baines?

18 MR. BAINES: Yes.

19 CHAIRWOMAN MARTIN: Mr. Goldner?

20 COMMISSIONER GOLDNER: Yes.

21 CHAIRWOMAN MARTIN: And the Chair votes
22 "yes". It's unanimous. And the motion carries.

23 We also need a motion to authorize our
24 counsel to prepare a Draft Order consistent with

[DELIBERATIONS]

1 our findings and decisions here today?

2 MR. BAINES: So moved.

3 CHAIRWOMAN MARTIN: Okay. A second?

4 COMMISSIONER GOLDNER: I'll second it.

5 CHAIRWOMAN MARTIN: Any discussion?

6 *[No indication given.]*

7 CHAIRWOMAN MARTIN: Seeing none. Mr.
8 Baines?

9 MR. BAINES: Yes.

10 CHAIRWOMAN MARTIN: Mr. Goldner?

11 COMMISSIONER GOLDNER: Yes.

12 CHAIRWOMAN MARTIN: And the Chair votes
13 "yes". It's unanimous. The motion carries.

14 Any other conditions that any Committee
15 member wanted to include?

16 MR. BAINES: Madam Chair, I have none.

17 COMMISSIONER GOLDNER: I have none.

18 CHAIRWOMAN MARTIN: Okay. Anything
19 else we need to do before we adjourn?

20 MR. IACOPINO: You need to vote to
21 grant the Petition, subject to the conditions.

22 MR. BAINES: Madam Chair? Yes. Madam
23 Chair, based on the findings and conditions we
24 have outlined in this hearing today, I move that

[DELIBERATIONS]

1 we grant the Petition.

2 COMMISSIONER GOLDNER: Seconded.

3 CHAIRWOMAN MARTIN: Any discussion?

4 MR. IACOPINO: A point of information.

5 Is that subject to the conditions?

6 MR. BAINES: Yes. Subject to all the
7 conditions that we've outlined here today.

8 CHAIRWOMAN MARTIN: Okay. And we will
9 take a vote. With the motion, subject to the
10 conditions that were added, do you have any
11 disagreement with the additional language, Mr.
12 Goldner?

13 COMMISSIONER GOLDNER: No.

14 CHAIRWOMAN MARTIN: Okay. Take a vote.
15 Mr. Baines?

16 MR. BAINES: Yes.

17 CHAIRWOMAN MARTIN: Mr. Goldner?

18 COMMISSIONER GOLDNER: Yes.

19 CHAIRWOMAN MARTIN: And the Chair votes
20 "yes". It's unanimous. The motion carries.

21 Anything else we need, Attorney

22 Iacopino?

23 MR. IACOPINO: None for me. Thank you.

24 MR. BAINES: I move we adjourn.

[DELIBERATIONS]

1 CHAIRWOMAN MARTIN: Okay. Motion to
2 adjourn.

3 COMMISSIONER GOLDNER: I'll second it.

4 CHAIRWOMAN MARTIN: Seconded. And I'll
5 take a vote. I assume there's no discussion.

6 Mr. Baines?

7 MR. BAINES: Yes.

8 CHAIRWOMAN MARTIN: Commissioner
9 Goldner?

10 COMMISSIONER GOLDNER: Yes.

11 CHAIRWOMAN MARTIN: And the Chair votes
12 "yes". We are adjourned. Thank you, everyone.

13 ***(Whereupon the deliberations were***
14 ***concluded and the hearing was adjourned***
15 ***at 11:40 a.m.)***

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C E R T I F I C A T E

I, **Steven. E. Patnaude**, a Licensed Shorthand Court Reporter, do hereby certify that the foregoing is a true and accurate transcript of my stenographic notes of these proceedings taken at the place and on the date hereinbefore set forth, to the best of my skill and ability under the conditions present at the time.

I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action; and further, that I am not a relative or employee of any attorney or counsel employed in this case, nor am I financially interested in this action.

Steven E. Patnaude, LCR
Licensed Court Reporter
N.H. LCR No. 52
(RSA 310-A:173)