

**THE STATE OF NEW HAMPSHIRE  
BEFORE THE PUBLIC UTILITIES COMMISSION**

**Docket No. DE 11-250**

**Investigation of Merrimack Station Scrubber Project and Cost Recovery**

**and**

**Docket No. DE 14-238**

**Determination Regarding Public Service Company of New Hampshire's Generation Assets**

**CLOSING STATEMENT OF CONSERVATION LAW FOUNDATION**

As an intervenor in both of the above-referenced dockets, Conservation Law Foundation (“CLF”) supports, and is pleased to have joined as a settling party, the 2015 Public Service Company of New Hampshire (“PSNH”) Restructuring and Rate Stabilization Agreement, as amended (“Settlement Agreement”). (Final Hearing Exhibits A, B). While, as in the case of any global settlement agreement, CLF may not view every element of the agreement as ideal, we support the Settlement Agreement as being in the public interest, and as an essential step, with the support of a diverse group of stakeholders, to expeditiously enable the divestiture of electric generating assets from PSNH and to thereby complete the restructuring of New Hampshire’s electric utilities.

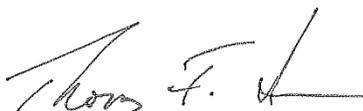
One of the essential benefits of divestiture will be relieving ratepayers of the risk of yet higher costs associated with capital expenditures and other environmental compliance costs associated with PSNH’s aging fleet of fossil-fuel electric generating facilities, namely Merrimack, Schiller and Newington Stations. PSNH’s Merrimack and Schiller Stations are currently in the process of obtaining new National Pollutant Discharge Elimination System (“NPDES”) permits, and Merrimack Station is the subject of a Clean Air Act citizen suit

(Exhibits OO, TT; Testimony of William Smagula). The costs of complying with the Clean Water Act, Clean Air Act, and other environmental requirements would increase fixed and variable costs and could be very substantial, constituting a significant risk for ratepayers should the plants continue to be owned and operated by PSNH. In a post-divestiture scenario, the owner of a given facility would make a decision, in the context of a competitive market, whether to incur such costs and, importantly, would bear the risks associated with its decision.

Regarding the presence of legacy mercury residue at Schiller Station, CLF agrees with the supplemental pre-filed testimony of Leszek Stachow on behalf of Non-Advocate Staff (Exhibit D) that such matter should be addressed outside the scope of this docket, during and/or in preparation for the auction process to be overseen by the Commission, with the benefit of an auction manager.

CLF appreciates the opportunity to participate in these dockets, as well as the Commission's close attention to them. We strongly support expeditiously advancing to divestiture of PSNH's generating assets and a fully restructured, competitive market in New Hampshire, and we respectfully urge the Commission to approve the Settlement Agreement.

Respectfully submitted,



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Dated: February 5, 2016

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document has on this 5th day of February, 2016, been sent by email to the service list in Docket No. DE 11-250 and 14-238.

A handwritten signature in black ink, appearing to read "Thomas F. Irwin". The signature is written in a cursive style with a large initial 'T' and 'I'.

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Thomas F. Irwin (NH Bar No. 11302)