

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

August 18, 2016 - 10:04 a.m.
Concord, New Hampshire

NHPUC SEP01'16 PM 3:17

RE: DE 16-097
LIBERTY UTILITIES (GRANITE STATE
ELECTRIC) CORP. d/b/a LIBERTY
UTILITIES: Least Cost Integrated
Resource Plan. (*Prehearing conference*)

PRESENT: Chairman Martin P. Honigberg, Presiding
Commissioner Robert R. Scott
Commissioner Kathryn M. Bailey
Sandy Deno, Clerk

APPEARANCES: Reptg. Liberty Utilities (Granite
State Electric) Corp. d/b/a Liberty
Utilities:
Michael J. Sheehan, Esq.

Reptg. Residential Ratepayers:
Nicholas Cicale, Esq.
Pradip Chattopadhyay, Asst. Cons. Adv.
Office of Consumer Advocate

Reptg. PUC Staff:
Alexander F. Speidel, Esq.
Richard Chagnon, Electric Division

Court Reporter: Steven E. Patnaude, LCR No. 52



ORIGINAL

I N D E X**PAGE NO.****STATEMENTS OF PRELIMINARY POSITION BY:**

Mr. Sheehan 4

Mr. Cicale 5

Mr. Speidel 7

QUESTIONS BY:

Chairman Honigberg 5

Cmsr. Scott 10, 12

P R O C E E D I N G

CHAIRMAN HONIGBERG: We're here this morning in Docket DE 16-097, which is Liberty Utilities (Granite State Electric) Corp.'s 2016 Least Cost Integrated Resource Plan, which they filed on January 15th. We're here for a prehearing conference, and there will be a technical session that follows.

Before we do anything else, let's take appearances.

MR. SHEEHAN: Good morning, Commissioners. Mike Sheehan for Liberty Utilities (Granite State Electric), present with Heather Tebbetts, from our Rates & Regulatory Division, and Chris Brouillard, our Director of Engineering.

MR. CICALÉ: Good morning, Mr. Chairman, Commissioners. Nicholas Cicale, for the Office of Consumer Advocate, and along with me is Dr. Pradip Chattopadhyay, the Assistant Consumer Advocate.

MR. SPEIDEL: Good morning, Commissioners. Alexander Speidel, representing the Staff of the Commission. And I have with

{DE 16-097} [Prehearing conference] {08-18-16}

1 me Rich Chagnon, Utility Analyst with the
2 Electric Division.

3 CHAIRMAN HONIGBERG: I am not aware
4 of any intervenor petitions. Have you seen
5 anything or heard anything?

6 MR. SHEEHAN: No, sir.

7 CHAIRMAN HONIGBERG: All right. Is
8 there any preliminary matters we need to take
9 up before hearing the parties' preliminary
10 positions?

11 MR. SHEEHAN: None from us.

12 CHAIRMAN HONIGBERG: All right. Mr.
13 Sheehan, why don't you go first.

14 MR. SHEEHAN: Thank you. This is the
15 first IRP our Company has filed since being
16 fully independent from Grid. The last one was
17 a December 2012 filing, which was done with a
18 lot of assistance from National Grid.

19 This IRP reflects the planning done
20 by Granite State for the Granite State system
21 only. We believe the plan satisfies the
22 requirements of RSA 378:38. We believe it
23 satisfies the additional requirements imposed
24 by the order from the last LCIRP, Order 25,625.

1 We look forward to working with Staff
2 and the OCA. And we will be asking the
3 Commission to approve this IRP at hearing.

4 Thank you.

5 MR. CICALÉ: Good morning,
6 Commissioners. The OCA has reviewed the
7 document carefully and think that it's a very
8 comprehensive overview of the Company's
9 business and least cost strategies for the next
10 ten-year forecast.

11 The OCA is looking at this filing
12 particularly carefully, and the filings coming
13 through in this statutory process, to hopefully
14 glean the usefulness of this process and to
15 hopefully expand it to make it more useful to
16 the Commission and to the general public.

17 So, we'll be engaged in this process
18 thoroughly. And, hopefully, we can take
19 something more than just having this document
20 come through and get approved. Thank you.

21 CHAIRMAN HONIGBERG: Mr. Cicale, I'm
22 kind of interested in a couple of things you
23 just said. And I wasn't sure which direction
24 you were going when you said you were wanting

1 to "investigate the usefulness of this
2 process".

3 MR. CICALÉ: So, we're looking at
4 this sort of at the statute's requirements, and
5 wondering whether the statute really requires
6 enough from the utility. We sort of, you know,
7 interpret this document as very
8 policy-oriented, and we wanted to make sure
9 it's just not utility homework. We want to
10 ensure that this has some usefulness in the
11 other dockets that the utility engages in, and
12 really that it shows a general plan from the
13 utility going forward, something the customers
14 and Commission Staff and OCA can really take
15 and latch on to. So, this may not really
16 require something of the Commission in this
17 process, but it may require legislation.

18 And, so, yes, we're looking at this
19 in a much broader lense, to see, you know, how
20 this goes forward. And it's nothing the
21 Company has done wrong at all, but we want to
22 make sure that this is definitely a useful
23 process and that it's time worthy of the
24 Commission.

1 CHAIRMAN HONIGBERG: Thank you.

2 Mr. Speidel.

3 MR. SPEIDEL: Mr. Chairman, thank
4 you. The Staff will be examining this filing
5 under the framework provided by RSA 378:37 and
6 38. RSA 378:38, in particular, has been
7 recently revised. And there's been a lot of
8 integration within the LCIRP statute of
9 concepts related to load growth management and
10 other demand-side efforts.

11 And there's one particular
12 subsection, IV, that's especially of interest.
13 It was added in 2015. "IV. An assessment of
14 distribution and transmission requirements,
15 [and] including an assessment of the benefits
16 and costs of "smart grid" technologies, and the
17 institution or extension of electric utility
18 programs designed to ensure a more reliable and
19 resilient grid to prevent or minimize power
20 outages, including, but not limited to,
21 infrastructure automation and technologies."

22 So, in Staff's view, there's two
23 elements. It's been discussed in the past in
24 LCIRPs, including the one I personally worked

1 on in the last round that Liberty Utilities
2 filed for its electric utility and under the
3 rubric of non-wires alternatives.

4 The Company does not have the largest
5 utility footprint on the electric side of this
6 state, but it certainly has a little bit of a
7 load growth spot in the form of the Upper
8 Valley area that it serves. It's not drastic
9 load growth, but it's steady load growth. And
10 it's an interesting test case in New Hampshire,
11 where we have relatively stagnant load growth
12 in general, to examine how to apply non-wires
13 alternatives analyses to an area with load
14 growth. So, we're going to be focusing in on
15 that.

16 Another area that we're interested in
17 is examination of vegetation management,
18 resiliency, hardening, security, everything
19 related to making sure that the Company's grid
20 is reliable in its service territory.

21 But, aside from that, we do see a
22 future wherein new technologies are slowly
23 trickling in, certainly net metering type
24 technologies, such as solar PV on rooftops,

1 often leased from new companies, new entrants
2 into the market, that may place additional
3 demands on the grid. We're examining that as
4 well.

5 So, it's going to be a comprehensive
6 analysis, albeit in miniature, but certainly we
7 are going to take a very careful look at it and
8 make sure that the last order is complied with,
9 in terms of what the Commission was looking for
10 from the Company, and making sure that we're
11 trying to be proactive in integrating some of
12 the new technological developments that have
13 been occurring in our state.

14 The other piece that we would like to
15 mention is that historically we'd like to
16 complete the review of these LCIRPs within a
17 single calendar year. So, due to other demands
18 on the Staff's time, we've pushed forward the
19 beginning of this formal review to August, but
20 we intend to complete this review process and
21 to have a final hearing on the merits before
22 the end of the calendar year and have a final
23 order on the merits before the end of the
24 calendar year.

1 So, we're going to be working out a
2 procedural schedule with probably two rounds of
3 discovery, testimony, responsive discovery, and
4 also a hearing date most likely sometime in
5 November. So, we just wanted to let you know
6 that. Thank you.

7 CHAIRMAN HONIGBERG: Commissioner
8 Scott.

9 CMSR. SCOTT: Thank you. And good
10 morning. For the Company -- well, I'll start
11 with, I was pleased to see, again, the
12 non-wires alternative discussions in the
13 filing. On Bates 010, I just wanted to
14 clarify, at the very bottom of Bates 010 it
15 says "The Company's distribution planning
16 process integrates non-wires alternatives", and
17 then it says "although the Company's pursuit of
18 non-wires alternative solutions requires a more
19 detailed analysis of the benefits and costs,
20 including technical studies that would require
21 additional resources". So, I wasn't quite sure
22 how to interpret that, "that would require
23 additional resources". Does that mean it won't
24 be done or does it mean it will be done at some

1 point after this process? Or what does that
2 mean?

3 MR. BROUILLARD: Our intent there was
4 to bring attention to the fact that, while we
5 have looked into the integration of non-wire
6 alternatives into our planning requirements, as
7 a result of that we uncovered, you know,
8 probably, in some cases, as many questions as
9 answered -- as answers that we came up with in
10 terms of the mechanisms for studying a
11 particular area, determining the technical
12 feasibility of a wide range of alternatives,
13 ranging from, you know, demand-side management,
14 distributed generation, energy efficiency, and
15 then how those -- how those mechanisms would be
16 reflected in our costs and ultimately the
17 recovery, and related dockets that are also
18 going on.

19 So, it was an indicator that, while
20 we have looked at it in quite a bit of detail,
21 we came up with a lot of questions along the
22 way that we look forward to working with the
23 Staff and with the Commission on.

24 CMSR. SCOTT: Okay. So, my -- again,

1 I was concerned is I can interpret the language
2 in two ways and "at some distant point in the
3 future, we'll look at this stuff". That's not
4 really what this is saying, is it?

5 MR. BROUILLARD: No. We would be
6 ready to look at it sooner rather than later.

7 CMSR. SCOTT: Okay. Thank you. My
8 other question is, obviously, since the filing
9 envisions an Energy Efficiency Resource
10 Standard, but, obviously, it hadn't been -- the
11 order hadn't been issued at the time of the
12 filing. We had called out more work on the
13 LCIRP in that. Is that going to change
14 anything in this proceeding?

15 MS. TEBBETTS: Good morning. No,
16 that is not going to change anything. And we
17 are fully prepared to work underneath the order
18 that was provided for the EERS in this docket
19 simultaneously.

20 CMSR. SCOTT: Thank you.

21 CHAIRMAN HONIGBERG: All right. Is
22 there anything else before we leave you to your
23 technical session?

24 *[No verbal response.]*

1 CHAIRMAN HONIGBERG: All right.

2 Thank you very much. We are adjourned.

3 ***(Whereupon the prehearing***
4 ***conference was adjourned at***
5 ***10:15 a.m., and a technical***
6 ***session was held thereafter.)***

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24