

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

June 10, 2016 - 9:20 a.m.
Concord, New Hampshire

NHPUC JUN29'16 AM 8:03

RE: DE 16-576
ELECTRIC DISTRIBUTION UTILITIES:
Development of New Alternative Net
Metering Tariffs and/or Other
Regulatory Mechanisms and Tariffs
for Customer-Generators.
(Prehearing conference)

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

Sandy Deno, Clerk

APPEARANCES: Reptg. Unitil Energy Systems, Inc.:
Gary Epler, Esq.

Reptg. Liberty Utilities (Granite
State Electric) Corp.:
Michael J. Sheehan, Esq.

Reptg. Eversource Energy:
Robert A. Bersak, Esq.
Matthew J. Fossum, Esq.

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

 ORIGINAL

1 **APPEARANCES: (c o n t i n u e d)**

2 **Reptg. Borrego Solar Systems, Inc.:**
Chris Anderson

3 **Reptg. Granite State Hydropower Assn.:**
4 Richard Norman
5 Robert King

6 **Reptg. Office of Energy & Planning:**
Christopher G. Aslin, Esq.
7 Assistant Attorney General
N.H. Department of Justice

8 **Reptg. the Jordan Institute:**
9 Laura Richardson

10 **Reptg. ReVision Energy:**
Jack Ruderman

11 **Reptg. the City of Nashua:**
12 Celia Leonard, Esq.
Madeleine Mineau

13 **Reptg. Freedom Logistics d/b/a**
14 **Freedom Energy Logistics:**
James T. Rodier, Esq.

15 **Reptg. Acadia Center:**
16 Ellen Hawes
Mark LeBel, Esq.

17 **Reptg. Conservation Law Foundation:**
18 Thomas F. Irwin, Esq.

19 **Reptg. Energy Freedom Coalition**
20 **of America:**
Tony Buxton, Esq. (Preti Flaherty)
Brendan Reed

21 **Reptg. the City of Lebanon:**
22 Clifton Below, City Councilor

23 **Reptg. Barrington Power:**
24 Jack Bingham

1 **APPEARANCES: (c o n t i n u e d)**

2 **Reptg. Norwich Technologies:**

John Langhus

3 **Reptg. New England Ratepayers Assn.:**

4 Marc Brown

5 **Reptg. Standard Power of America:**

6 Robert Hayden

7 **Reptg. New Hampshire Sustainable
Energy Association:**

8 Elijah Emerson, Esq. (Primmer Piper..)

9 Kate Epsen, Executive Director

10 **Reptg. Energy Emporium:**

11 Kimberley Quirk

12 **Reptg. Revolution Energy:**

13 Clay Mitchell

14 **Reptg. The Alliance for Solar Choice:**

15 Thadeus B. Culley, Esq. (Keyes Fox..)

16 Rep. Lee W. Oxenham, *pro se*

17 Pentti Aalto, *pro se*

18 **Reptg. the Business & Industry Assn.:**

19 Stefanie Lamb

20 **Reptg. Residential Ratepayers:**

21 Donald M. Kreis, Esq., Consumer Adv.

22 Pradip Chattopadhyay, Asst. Cons. Adv.

23 Office of Consumer Advocate

24 **Reptg. PUC Staff:**

David K. Wiesner, Esq.

Karen Cramton, Dir./Sustainable Energy

Thomas C. Frantz, Dir./Electric Div.

Stephen Eckberg, Sustain. Energy Div.

David Littell, Reg. Assistance Project

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

I N D E X

PAGE NO.

STATEMENTS OF PRELIMINARY POSITION BY:

| | |
|-------------|----|
| Mr. Epler | 17 |
| Mr. Sheehan | 23 |
| Mr. Bersak | 23 |
| Mr. Kreis | 25 |
| Mr. Wiesner | 28 |

STATEMENTS/QUESTIONS BY:

| | |
|-------------|----|
| Cmsr. Scott | 29 |
|-------------|----|

P R O C E E D I N G

1
2 CHAIRMAN HONIGBERG: Good morning,
3 everyone. We're here in Docket DE 16-576,
4 which is a docket regarding electric
5 distribution utilities. We're here under a
6 statutory obligation to develop new alternative
7 net metering tariffs and/or other regulatory
8 mechanisms and tariffs for customer-generators.

9 I will not read from the Order of
10 Notice. There's enough for all of you to do
11 this morning that you don't want to hear me do
12 that.

13 Let me tell you what's going to
14 happen this morning. We're going to do the
15 prehearing conference first. It's going to be
16 brief. We're going to see who's here, who's
17 filed -- who has filed intervention petitions.
18 I am guessing that there are probably others
19 here who want to participate in some way and
20 probably haven't already filed intervention
21 petitions, we'll see who's here along those
22 lines.

23 The Order of Notice says that during
24 the prehearing we will take "preliminary

1 statements of positions regarding the relevant
2 matters from the parties". As we sit here this
3 morning, that's the electric distribution
4 utilities, Staff, and the OCA. So, if any of
5 them want to provide preliminary positions to
6 us, we will entertain them. But, if they
7 choose not to, we will understand that as well.
8 No one else is going to be addressing us this
9 morning, except in the context of identifying
10 yourself regarding interventions.

11 After we are done, you will all stay
12 for a technical session with Staff, at which
13 you will discuss the schedule and how we're
14 going to get from this point to the end of this
15 docket. The Order of Notice set out some of
16 the issues that will be relevant for that
17 discussion. But the schedule is completely
18 open at this point, and you all will be
19 developing the schedule. So, for those who
20 felt that there was a schedule laid out in the
21 Order of Notice, you might want to reread the
22 Order of Notice more carefully next time.

23 All right. Let's see who's here.
24 First, let's go with the electric distribution

1 utilities.

2 MR. EPLER: Good morning. Gary
3 Epler, Chief Regulatory Counsel for Unitil
4 Service Corp., appearing on behalf of Unitil
5 Energy Systems, Inc. Thank you.

6 MR. SHEEHAN: Good morning,
7 Commissioners. Mike Sheehan, from Liberty
8 Utilities. And with me from the Company is
9 Heather Tebbetts, Mike Licata, and Jill
10 Fitzpatrick. Thank you.

11 MR. BERSAK: Good morning,
12 Commissioners. Robert Bersak and Matthew
13 Fossum, attorneys on behalf of Eversource
14 Energy.

15 CHAIRMAN HONIGBERG: Is anybody here
16 from the Co-op?

17 *[No verbal response.]*

18 CHAIRMAN HONIGBERG: Okay. I didn't
19 expect necessarily for them to be here, but
20 they certainly could have been, and they
21 sometimes show up.

22 Mr. Kreis.

23 MR. KREIS: Thank you, Mr. Chairman.
24 Good morning. I am Donald Kreis, the Consumer

1 Advocate. And with me this morning is the
2 Assistant Consumer Advocate, Mr. Pradip
3 Chattopadhyay.

4 MR. WIESNER: Good morning, Mr.
5 Chairman, Commissioners. David Wiesner, Staff
6 attorney. With me today are Karen Cramton,
7 Director of the Sustainable Energy Division;
8 Tom Frantz, Director of the Electric Division;
9 Steve Eckberg, also of the Sustainable Energy
10 Division; and at the far end of the table is
11 David Littell, who is with the Regulatory
12 Assistance Project, who we expect to be
13 providing advice and support to Staff in
14 connection with this matter.

15 CHAIRMAN HONIGBERG: All right. I
16 have -- we have intervention petitions from a
17 number of folks. I'm going to read them not
18 exactly as they appear in chronological order
19 in the docket, but pretty close. And, if
20 someone is here, I would like you to identify
21 yourself as we do this.

22 So, is anybody here from Borrego
23 Solar Systems?

24 MR. ANDERSON: Yes. Good morning,

1 Commissioner. Chris Anderson, from Borrego
2 Solar Systems.

3 CHAIRMAN HONIGBERG: Granite State
4 Hydropower?

5 MR. NORMAN: Richard Norman, with
6 Robert King.

7 CHAIRMAN HONIGBERG: The Office of
8 Energy and Planning?

9 MR. ASLIN: Chris Aslin, from the
10 AG's Office, on behalf of OEP.

11 CHAIRMAN HONIGBERG: Jordan
12 Institute?

13 MS. RICHARDSON: Good morning,
14 Commissioners. Laura Richardson, with the
15 Jordan Institute.

16 CHAIRMAN HONIGBERG: ReVision Energy?

17 MR. RUDERMAN: Good morning. Jack
18 Ruderman.

19 CHAIRMAN HONIGBERG: Northeast Clean
20 Energy Council?

21 *[No verbal response.]*

22 CHAIRMAN HONIGBERG: Okay. City of
23 Nashua?

24 MS. LEONARD: Yes. Good morning.

1 Celia Leonard, with Madeleine Mineau.

2 CHAIRMAN HONIGBERG: Freedom
3 Logistics/Freedom Energy?

4 MR. RODIER: Jim Rodier.

5 CHAIRMAN HONIGBERG: Acadia Center?

6 MS. HAWES: Good morning. Ellen
7 Hawes of the Acadia Center, with Mark LeBel.

8 CHAIRMAN HONIGBERG: Would you like
9 to move around so you're sitting near each
10 other? Have everybody -- everybody slide down
11 one.

12 Conservation Law Foundation?

13 MS. IRWIN: Good morning,
14 Commissioners. Tom Irwin, with Conservation
15 Law Foundation.

16 CHAIRMAN HONIGBERG: Solar Endeavors?
17 Kathleen Murphy?

18 *[No verbal response.]*

19 CHAIRMAN HONIGBERG: Okay. Energy
20 Freedom Coalition of America?

21 MR. BUXTON: Good morning, Mr.
22 Chairman. Tony Buxton, from Preti Flaherty,
23 and Brendan Reed, for the Energy Freedom
24 Coalition.

1 CHAIRMAN HONIGBERG: City of Lebanon?

2 MR. BELOW: Good morning,
3 Commissioners. City Councilor Clifton Below,
4 for the City of Lebanon.

5 CHAIRMAN HONIGBERG: Barrington
6 Power?

7 MR. BINGHAM: Good morning. Jack
8 Bingham, from Barrington Power.

9 CHAIRMAN HONIGBERG: Norwich
10 Technologies?

11 MR. LANGHUS: Good morning,
12 Commissioners. John Langhus, Norwich
13 Technologies.

14 CHAIRMAN HONIGBERG: New England
15 Ratepayers Association?

16 MR. BROWN: Good morning. Marc
17 Brown, New England Ratepayers Association.

18 CHAIRMAN HONIGBERG: Standard Power
19 of America?

20 MR. HAYDEN: Good morning. Bob
21 Hayden.

22 CHAIRMAN HONIGBERG: New Hampshire
23 Sustainable Energy Association?

24 MR. EMERSON: Good morning. Eli

1 Emerson, from Primmer, Piper, Eggleston &
2 Cramer, on behalf of NHSEA. Kate Epsen is
3 here, too.

4 CHAIRMAN HONIGBERG: Nature
5 Conservancy? Jim O'Brien?

6 *[No verbal response.]*

7 CHAIRMAN HONIGBERG: Okay. Energy
8 Emporium?

9 MS. QUIRK: Good morning. Kimberley
10 Quirk, from Energy Emporium.

11 CHAIRMAN HONIGBERG: Consumer Energy
12 Alliance? James Voyles?

13 *[No verbal response.]*

14 CHAIRMAN HONIGBERG: All right.
15 South Pack Solar? Gregory Blake?

16 *[No verbal response.]*

17 CHAIRMAN HONIGBERG: Revolution
18 Energy?

19 MR. MITCHELL: Good morning. Clay
20 Mitchell.

21 CHAIRMAN HONIGBERG: The Alliance for
22 Solar Choice?

23 MR. CULLEY: Good morning. Thad
24 Culley, law firm Keyes --

1 *[Court reporter interruption.]*

2 MR. CULLEY: Yes. Thad Culley. Law
3 firm Keyes, Fox & Wiedman. And I'll provide
4 with a business card. Thank you.

5 CHAIRMAN HONIGBERG: Lee Oxenham?

6 REP. OXENHAM: Good morning,
7 Commissioners. Lee Oxenham, representing my
8 district, Plainfield, and also those
9 representatives who worked hard on net metering
10 legislation this year.

11 CHAIRMAN HONIGBERG: Representative
12 Oxenham, stay standing please. Stand up
13 please.

14 REP. OXENHAM: Yes, sir.

15 CHAIRMAN HONIGBERG: We've read your
16 Petition. You should know that legislators
17 have no special right or status to appear
18 before the Public Utilities Commission. We
19 understand you feel very strongly about these
20 issues, and that you represent a lot of people
21 in another body. Let me ask you a question.
22 Are you a ratepayer of one of the regulated
23 utilities we have before us?

24 REP. OXENHAM: Yes, I am.

1 CHAIRMAN HONIGBERG: All right. That
2 gives you status to intervene. And we
3 understand you have lots to share and offer in
4 this proceeding. And, in all likelihood, you
5 will be granted intervenor status, but not
6 because you're a legislator. Do you understand
7 that?

8 REP. OXENHAM: It's contrary to the
9 information I was previously given, but I do
10 understand your argument.

11 CHAIRMAN HONIGBERG: It's more than
12 an argument. Where did you -- what's the
13 source of your information?

14 REP. OXENHAM: Wow. Many. I would
15 say the Office of Energy & Planning was one.
16 And I believe I was also encouraged to assume
17 that I was granted additional status by members
18 of the Legislature on the Science, Technology &
19 Energy Committee.

20 CHAIRMAN HONIGBERG: There is some
21 history, we will acknowledge, that many
22 legislators have participated in many processes
23 before the Commission. There are circumstances
24 in the past when legislative status has been

1 deemed sufficient. That has not been the case
2 recently, and there are a number of orders from
3 the Commission on this topic specifically.

4 I think that going forward
5 Commissions change, things may change further.
6 But it's fairly clear that you do have
7 appropriate status here and are eligible to
8 participate as a ratepayer. And every other
9 piece of knowledge and information you have, if
10 it's appropriate, you'll be able to share with
11 the proceeding, and later with us. So, --

12 REP. OXENHAM: I don't mean to hold
13 up the proceedings. Do you suggest that I file
14 an alternate petition?

15 CHAIRMAN HONIGBERG: No. You've put
16 on the record that you are a ratepayer. So, we
17 understand that, and that's sufficient.

18 REP. OXENHAM: Thank you.

19 CHAIRMAN HONIGBERG: All right. Is
20 there anyone else here who believes they have
21 filed a petition to intervene?

22 *[No verbal response.]*

23 CHAIRMAN HONIGBERG: Well, that's
24 encouraging.

1 Is there anyone else here who hasn't
2 filed who wishes to participate as an
3 intervenor?

4 *(Show of hands.)*

5 CHAIRMAN HONIGBERG: All right. I
6 see a couple of hands go up.

7 Mr. Aalto.

8 MR. AALTO: Pentti Aalto,
9 representing myself. And I would bring -- and
10 I am a customer of Eversource. And I
11 additionally would bring some expertise from
12 about 45 years of experience in this area.

13 CHAIRMAN HONIGBERG: I guess we would
14 ask you to submit something in writing --

15 MR. AALTO: Yes, sir.

16 CHAIRMAN HONIGBERG: -- requesting
17 status. But you can certainly stay as the
18 technical session proceeds.

19 Ms. Lamb.

20 MS. LAMB: Stefanie Lamb, Business &
21 Industry Association. I do plan on filing, and
22 you will have a formal, written statement.

23 CHAIRMAN HONIGBERG: All right.

24 Thank you. Is there anyone else?

1 [No verbal response.]

2 CHAIRMAN HONIGBERG: Remarkable. All
3 right. We're going to take preliminary
4 positions from the utilities, the OCA, and
5 Staff. And, then, we'll be leaving you to your
6 technical session.

7 So, Mr. Epler, you grabbed the
8 microphone first for appearances, why don't you
9 begin.

10 MR. EPLER: Is it all right if I read
11 my statement from my seat?

12 CHAIRMAN HONIGBERG: Sure. But just
13 get the microphone in front of you, because the
14 people in the back will be able to hear much
15 better.

16 MR. EPLER: Okay. Thank you, Mr.
17 Chairman, Commissioners. The Company
18 appreciates the opportunity to provide you with
19 a statement of position.

20 Unitil supports New Hampshire's
21 10-year State Energy Strategy, including
22 efforts to increase penetration of small and
23 commercial scale energy generation in order to
24 diversify our fuel supply and increase the use

1 of in-state resources. The Company also
2 supports net energy metering as an important
3 policy that's vital to the growth of small
4 scale renewable energy, especially resources
5 that may be intermittent in nature.

6 However, the Company believes that
7 it's the service provided by the utility under
8 net energy metering that's essential. Without
9 net energy metering or an equivalent utility
10 service, small scale renewable energy is
11 neither economically viable nor operationally
12 palatable to customers.

13 We do not dispute the value and
14 benefits of renewable energy. But we believe
15 that an affordable and reliable electric grid
16 is essential to the wide scale expansion and
17 adoption of these resources, providing the
18 capacity and energy DG customers need 24/7 and
19 providing ability to export excess energy
20 during low customer load periods.

21 This proceeding requires the
22 Commission within a ten-month period to develop
23 alternative net metering tariffs, or other
24 regulatory mechanisms and tariffs, taking into

1 consideration a number of specified factors.

2 We offer the following key points for
3 consideration as we undertake this process.

4 First, it's only through a
5 transparent, efficient and cost-based rate
6 designs that a viable and sustainable long-term
7 model will be developed that provides
8 sufficient revenue to support the significant
9 investments needed to modernize the grid, while
10 also incenting the appropriate behaviors and
11 assuring fairness and equity among customers.
12 Net metering tariffs and other regulatory
13 considerations must adhere to longstanding and
14 well-established ratemaking principles that
15 recognize the importance of recognizing cost
16 causation when setting rates.

17 Second, any new rate or approach for
18 net metering must recognize the new costs and
19 strains that DG places on the distribution
20 system. These include but are not limited to
21 the effects of intermittent generation that
22 requires more spinning reserves or other
23 ancillary services; the inability to monitor
24 and control systems; bi-directional power flow

1 on a distribution system originally designed
2 for one-way power flows; and distribution
3 system impacts, including power factor
4 adjustments and more voltage regulation.

5 Third, any new rate approach or
6 mechanism must address the fact that, with the
7 introduction of DG customers into the
8 residential class, the residential class should
9 no longer be viewed as homogenous; that is, the
10 class is comprised of partial and full
11 requirements customers with the same end uses,
12 but who impose much different costs on the
13 distribution system.

14 Partial requirements DG customers
15 impose nearly the same capacity demands on the
16 system, and, in turn, fixed costs, such as
17 distribution-related costs, but are billed for
18 much less energy. Two-part rate structures,
19 consisting of a customer charge and energy
20 charge, only apply when customer profiles and
21 loads within a class are homogenous.

22 The existing two-part rate structure
23 for residential customers results in an undue
24 cost shift between non-DG residential customers

1 and DG ones, since mostly all of the utility's
2 costs are fixed and the only real avoided costs
3 attributable to DG customers is fuel. The end
4 result is that the current two-part rate is no
5 longer just and reasonable.

6 Fourth, the only way to adequately
7 evaluate the differences in embedded fixed
8 costs and energy costs between partial and full
9 requirements customers is to conduct a cost of
10 service analysis that treats full and partial
11 requirements customers as separate classes.
12 This conforms to long-established rate
13 principles, since the cost profiles of each set
14 of customers differ significantly, including
15 different load factors, different patterns of
16 energy consumption, and very different impacts
17 on the distribution system.

18 Fifth, the new rate approaches must
19 address significant cost subsidies that are
20 currently occurring between the two sets of
21 customers in the residential class. The
22 current net metering policies essentially
23 permit the DG customers to receive a full
24 retail rate credit for excess power in any

1 month; and cumulative excess power from month
2 to month can be banked for future delivery
3 offset. This credit is much more than the
4 wholesale market value of the energy and even
5 more than the cost of acquiring the same
6 renewable energy from large scale facilities.

7 Since the only avoided costs DG
8 customers provide to the utility system are
9 fuel and purchased power, the maximum credit DG
10 customers should receive for any excess power
11 provided in a month should be based on the
12 current default rate. And, during this
13 proceeding, the Commission should also consider
14 the elimination of banking of cumulative excess
15 power, since this provision only exacerbates
16 the fixed cost shifts.

17 Lastly, we recommend that the
18 Commission should consider how the current
19 volumetric charges allow net metering customers
20 to avoid the payment of systems benefits and
21 other non-bypassable charges.

22 The Company recognizes the tight time
23 frame that this docket will be administered
24 under, and we commit to working cooperatively,

1 diligently and efficiently with all parties to
2 assist the Commission in reaching a just and
3 reasonable result. Thank you.

4 CHAIRMAN HONIGBERG: Mr. Sheehan.

5 MR. SHEEHAN: Thank you,
6 Commissioners. The goal, of course, in this
7 proceeding is to reach alternative net metering
8 tariffs for each of the utilities. The Order
9 of Notice contains some issues to be discussed.
10 As Mr. Epler's statement just illustrated,
11 there are many other issues that this docket
12 will address.

13 There's substantial experience in the
14 room, most among -- both among the utility
15 group and all the other stakeholders that are
16 here. Liberty intends to participate and
17 engage with all of these stakeholders to reach
18 net metering tariffs that work for Liberty
19 Utilities and the others. Thank you.

20 CHAIRMAN HONIGBERG: Mr. Bersak.

21 MR. BERSAK: Once again, good
22 morning, Commissioners and fellow participants
23 in the docket.

24 As you may be aware, Eversource

1 supported HB 1116, which was the basis for this
2 docket, and sets the very aggressive goal of
3 arriving at a decision within ten months of the
4 enactment of that law.

5 The move to distributed generation
6 throughout the country and throughout New
7 Hampshire, including net metered distributed
8 generation, provide certain benefits and
9 certain costs to electric consumers.

10 Many of us were privileged to attend
11 this past weekend the NECPUC symposium.
12 Throughout that symposium, we heard speaker
13 after speaker talk about how it's important to
14 get the pricing right. Correct pricing
15 reflects the benefits that distributed
16 generation provides, as well as the costs
17 caused by that generation. Correct pricing
18 will eliminate cross-subsidies between those
19 that have and those who do not have distributed
20 generation. Most importantly, correct pricing
21 will ensure that development of this new
22 technology does not exacerbate the most
23 pressing issue facing our businesses here in
24 New Hampshire, the issue of high energy costs.

1 You've heard this morning my
2 colleague from Unitil, Attorney Epler, talk
3 about Unitil's plan and road -- or, outline for
4 implementing a new alternative net metering
5 rate. We find Unitil's proposal compelling,
6 and recommend that it be used as the basis for
7 discussions throughout this proceeding.

8 And, as with my colleague utilities,
9 Eversource will participate fully and
10 cooperatively. And we will help the Commission
11 meet its goal of arriving at a decision by the
12 beginning of March.

13 CHAIRMAN HONIGBERG: Mr. Kreis.

14 MR. KREIS: Thank you, Mr. Chairman.
15 Good morning. My office is tasked by statute
16 with advancing the interests of residential
17 utility customers, all residential utility
18 customers, and we intend to do just that in
19 this docket. Distributed generation presents
20 enormous opportunities for all residential
21 utility customers, from the geeky entrepreneur
22 of vast wealth to the displaced paper mill
23 worker struggling paycheck to paycheck. This
24 docket is an important opportunity to seize

1 those opportunities and we hope to play a
2 leading role in doing so. We begin this
3 process with seven hypotheses that I'd like to
4 lay out.

5 1. Net metering is dead. The idea
6 started in the 1970s when a rogue architect
7 developer in Massachusetts put solar panels on
8 an apartment building, wired them up to his
9 utility-interconnected electric system, and
10 discovered that when he had excess energy it
11 spun his meter backwards, as he thought it
12 might. Given the economic viability and
13 proliferation of distributed generation
14 technology, that *ad hoc* approach is no longer
15 viable. We need a responsible and vigorous
16 approach that compensates energy-producing
17 consumers fairly.

18 2. Rate design should be innovative
19 but faithful to traditional principles of cost
20 causation. For example, demand charges have
21 little or no place in residential rates. It's
22 reasonable to expect consumers who produce
23 electricity for the grid to participate in new
24 rate programs that involve dynamic pricing.

1 3. If you produce electricity by the
2 hundreds of megawatts, you do not pay the grid
3 to generate. So, if you produce electricity by
4 the tens of kilowatts, you also should not have
5 to pay the grid to generate.

6 4. Those who claim that solar
7 producers have or are getting subsidies from
8 solar have-nots should prove it. There are
9 countless value of solar studies out there that
10 suggest otherwise.

11 5. Solar companies should not get a
12 free pass just because they produce or help
13 consumers produce renewable energy. In our
14 experience, most of these companies are
15 honorable firms doing honorable stuff. We
16 should help those firms earn a reasonable
17 return on their investment, just like we do
18 with the utilities.

19 6. Consumer protection is critical.
20 We will use this docket to press for reforms
21 related to disclosure and accountability.

22 And, 7. And, finally, community
23 solar projects are important and we need to
24 take steps to promote them, so that those who

1 rent, live in the shade, or are otherwise
2 unable to invest in distributed generation at
3 their residences have a full opportunity to
4 take advantage of the consumer empowerment that
5 is the subject of this docket.

6 We look forward to working with the
7 other parties to test these hypotheses and
8 achieve progress.

9 CHAIRMAN HONIGBERG: Mr. Wiesner.

10 MR. WIESNER: Thank you, Mr.

11 Chairman. The Legislature has given us a very
12 important job to do here to decide what the
13 future of net metering will be in this state.
14 And we don't have a lot of time to do it.

15 Staff's overriding priority is to
16 work with the parties to develop a process
17 which is manageable and efficient, and
18 produces, at the end of the process, a complete
19 and comprehensive record that will support a
20 final determination by the Commission as to
21 what that future of net metering will look like
22 going forward, for those installed systems
23 above the 100-megawatt cap.

24 We look forward to working with the

1 parties during the technical session that
2 follows this conference, as well as over the
3 ensuing months, to stay on track, meet the
4 statutory deadline, and produce a result which
5 meets the statutory requirements.

6 We expect to be working with a
7 technical consultant. We have an REP out. And
8 we expect to be receiving responses next week
9 and making a selection of that consultant.
10 That consultant we expect will be deeply
11 involved in the technical analysis of the
12 various proposals that we expect parties to
13 make. As I noted earlier, we will also be
14 working with David Littell as an advisor.

15 CHAIRMAN HONIGBERG: Commissioner
16 Scott.

17 CMSR. SCOTT: Thank you.
18 Mr. Wiesner, obviously, listening to the
19 utilities, I've heard the word, I think
20 Mr. Epler mentioned "homogenous" I don't know
21 how many times, I think. But what I think I
22 got out of that is not all things are equal in
23 this field, when we look at costs and benefits.

24 So, I guess I would wonder if, in

1 your explorations here with this group, perhaps
2 if you could explore if there's a locational
3 aspect that might make sense for the tariff.
4 For instance, if you're able to -- if a utility
5 were able to avoid expenditures at a substation
6 that a load may be causing, and instead were to
7 do this type of activity, would that not be
8 more beneficial for a rate, for instance?

9 So, I just wanted to throw that in
10 the mix. I didn't hear the utilities say that,
11 but I did think I heard them -- I thought I
12 heard them suggest that "not all things were
13 equal uniformly across the system".

14 MR. WIESNER: And I think I would
15 agree with you that that may be a relevant
16 consideration that we will explore with the
17 parties. The extent to which we can achieve
18 granularity on that, you know, in effective
19 rate design that can be implemented within the
20 statutory time frame is, of course, a question.

21 CMSR. SCOTT: Thank you.

22 CHAIRMAN HONIGBERG: Before we leave
23 you to your technical session, regarding
24 interventions, I think it's a fairly safe

1 assumption that virtually everyone who has
2 requested intervenor status is going to be
3 granted intervenor status. That's a lot of
4 people. And it's going to be an unwieldy
5 process, if everyone feels that they need to do
6 everything at all times.

7 Under the rules and under state laws,
8 we have the ability to consolidate groups of
9 intervenors to manage their participation, in
10 some circumstances limit intervenors to
11 particular issues. I'm not really sure if
12 that's going to be relevant here. But the
13 ability to direct consolidation is out there.

14 To the extent you all working
15 together identify common interests, and it is
16 apparent, just based on who you all are, that
17 many of you agree on many issues here, it will
18 be in all of your best interests to work
19 together to streamline the process, speak with
20 one voice, to the extent that you can. That
21 will make your lives easier, ultimately, it
22 will make the lives of those other
23 participating in the docket easier. And, if
24 possible, that will be great.

1 If it is not working, we will reserve
2 the right to issue an order consolidating
3 party -- intervenors into groups. And we'll do
4 it, if we have to. But I kind of think that,
5 looking at this group and the level of
6 expertise and experience that's already here,
7 you'll see where your interests align and where
8 you can work together, and things will be
9 smoother if you do that on your own. But we'll
10 do whatever we have to.

11 Mr. Wiesner, is there anything else
12 you need us to cover before we leave you to
13 your technical session?

14 MR. WIESNER: I don't believe so. I
15 think you alluded to it earlier of New
16 Hampshire Sustainable Energy Association filed
17 a motion for an alternate schedule. We intend
18 to address their concerns during the technical
19 session. And, if there's a need for that
20 motion to be addressed in some formal way by
21 the Commission, we will let you know.

22 CHAIRMAN HONIGBERG: It struck me as
23 the sound of one hand clapping, because there
24 was no schedule. So, proposing an alternative

1 to something that didn't exist sounded wrong to
2 me. And, so, the whole concept assumed facts
3 not in evidence, as lawyers like to say.

4 So, I think it was clear to me that
5 they feel very strongly about how this process
6 should go. Knowing that the technical session
7 will be taking place at which the issues
8 relevant to their filing would be discussed, it
9 didn't seem necessary for us to address it
10 explicitly. But, having invited me to do so, I
11 have now done so. So, I don't think any ruling
12 is going to be necessary, because you all are
13 going to talk about your schedule.

14 If you are unable to agree, we will
15 have to issue an order setting a schedule. And
16 it will be something along the lines of what
17 someone processes or something else that we
18 come up with, based on what you all say is
19 significant and how the parties make their
20 arguments.

21 Anything else, Mr. Wiesner?

22 MR. WIESNER: No. I believe
23 that's -- I believe you have correctly stated
24 the procedural status of that motion, and we

1 will hope to address those concerns effectively
2 during the technical session.

3 And, I'm not aware of any other
4 issues we need to address right now.

5 CHAIRMAN HONIGBERG: All right. Is
6 there anything else anyone needs to bring to
7 our attention at this time?

8 *[No verbal response.]*

9 CHAIRMAN HONIGBERG: All right.
10 Seeing none. Thank you. We will adjourn. And
11 you can start your technical session.

12 ***(Whereupon the prehearing***
13 ***conference was adjourned at 9:48***
14 ***a.m., and a technical session***
15 ***was held immediately***
16 ***thereafter.)***

17

18

19

20

21

22

23

24