Bill as Introduced

HB 1229 – AS INTRODUCED

2000 SESSION

00-2044
09/10

HOUSE BILL ***1229***

AN ACT requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

SPONSORS: Rep. Rose, Ches 13; Rep. Kennedy, Merr 7; Rep. D. White, Hills 25; Rep. Gilmore, Straf 11; Rep. Tuthill, Sull 5; Sen. Roberge, Dist 9; Sen. Brown, Dist 17; Sen. Krueger, Dist 16; Sen. Cohen, Dist 24

COMMITTEE: Science, Technology and Energy

ANALYSIS

This bill requires the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 1229 – AS INTRODUCED

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09/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand

AN ACT requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Findings. The general court finds that:

I. Electric ratepayers deserve relief from ongoing high electric rates.

II. The issues of electric rates and electric restructuring have been discussed at great length. The general court has a responsibility to represent the best interests of the people who are rate payers.

III. Completion by the public utilities commission of the rate proceeding involving Public Service Company of New Hampshire (PSNH) would provide a benchmark which the legislature could use in evaluating the settlement agreement between the state and PSNH.

2 Docket No. 97-059. The New Hampshire legislature directs the public utilities commission to complete the rate making process, that began in Docket No. 97-059 in 1997, and thereby provide a benchmark comparison before any such settlement or agreement with Public Service Company of New Hampshire could possibly be authorized by the New Hampshire legislature.

3 Effective Date. This act shall take effect upon its passage.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB1229 Date 1/6/00

Committee Science, Technology & Energy

**** Please Print All Information ****

Name	Address	Phone	Representing	Pro (check one)	Con (check one)
Rick Killion	5 Bicentennial Sq.	229-3000	NH Citizens	✓	
	Concord, NH		for a Sound Economy		
	(comments attached)				

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 1229 Date January 6, 2000

Committee ST & E

**** Please Print All Information ****

Name	Address	Phone	Representing	(check one) Pro	Con
ROY STEWART	BEDFORD	472-3421	GR ST TAXPAYERS	X	
John Tuttle	Sull. Co. No. 5.			X	
Joe Haas	P.O. Box 218 Ashland NH 03217			see	HB 1281

Hearing Minutes

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 1229

BILL TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH

DATE: January 6, 2000

LOB ROOM: 304 **Time Public Hearing Called to Order:** 10:30 am

Time Adjourned: 12 pm

(please circle if present)

Committee Members: Reps. J. Bradley, Guay, Rosen, Ham, Howard, Thomas, D. White, Maxfield, Tufts, Arnold, Eaton, Varrell, Grant, MacGillivray, Norelli, Lynde, Pitts, Kaen, Gilmore, Bergeron, Densmore and Moriarty.

Bill Sponsors: Reps. Rose, Kennedy, White, Gilmore, Tuthill, Roberge, Brown, Krueger, and Cohen

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

***Rep. Rose**, sponsor. See handout – supports.

Rep. Kennedy, distributed "PSNH deal" pins. Important bill this year – supports.

Sen. Burt Cohen. supports bill.

Sen. Mary Brown, co-sponsor. Important- supports.

Rep. Alf Jacobson – Other states enjoy much better rates than NH - 1989 wool pulled over our eyes. Supports this bill.

Gary Epler, NH PUC, does not support or oppose bill.

Michael W. Holmes, PUC Consumer Advocate, rate cases vs. benchmarks.

Deborah Schachter, Governor's Energy Office, opposes bill.

John Antonuk, PUC Settlement Staff, opposes bill. Need some sense of where rate case is going before action on bill. Outcome rate of 3 % No hydro-Quebec; no Apra. May have to recover $100 million.

***Jim Rubens, THNK NH**, supports. Other states' agreements bogged down.

Harold Judd, former assistant attorney general, conducted old deal. What was intended by " 7 years – 5.5%? All will be tested end of 7 years.

Sen. Roberge, supports the bill. General Court response to ratepayers.

Continued Public Hearing January 13, 2000-01-18

Harold Judd, continued – all will be tested end of seven years.

***Jim Rubens, continued** – supports. See handout.

Sen. Roberge – General Court responsible to rate payers.

Continued Public Hearing to January 13, 2000.

Respectfully Submitted:

Ralph J. Rosen, Clerk

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 1229

BILL TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH

DATE: ~~{Type HEARING DATE here}~~ 1-6-00

LOB ROOM: 302 304 **Time Public Hearing Called to Order:** {Time} ?

Time Adjourned: {Time} ?

(please circle if present)

Committee Members: Reps. J. Bradley, Guay, Rosen, Ham, Howard, Thomas, D. White, Maxfield, Tufts, Arnold, Eaton, Varrell, Grant, MacGillivray, Norelli, Lynde, Pitts, Kaen, Gilmore, Bergeron, Densmore and Moriarty.

Bill Sponsors: Reps. Rose, Kennedy, White, Gilmore, Tuthill, Roberge, Brown, Krueger, and Cohen

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HB 1229 – AS INTRODUCED

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

* Rep Rose – Sponsor (see handout) – supports education
Sen. Cohen – this + funding most important bill this year – Supports.
Rep Kennedy – distributed "PSNH deal" pins (mephitis mephitis)
Sen Brown – important – Supports.
Rep Jacobson – other states enjoy much better rates than NH; – 1989 "wool pulled over our eyes" – Supports this bill.
Gary Epler – PUC does not support or oppose.

HB 1229 – AS INTRODUCED

00-2044
09/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand

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3 Effective Date. This act shall take effect upon its passage.

Michael Holmes – PUC – Consumer Advocate
Rate cases vs. Benchmarks
Deborah Schachter Gov's Energy Office Opposes
John Andruchuk – Opposes – need some sense of where rate case is going before and a bill outcome rate of 3%?
{ no Hydro-Quebec. Mus have to recover $100 M
{ a Spra
Jim Rodier – Supports – other states – agreements bogged down.
Harold Judd – Town asst Atty Gen conducted old deal – what was intended by "7 yrs – 5.5%"?

6 Jan 2000

HB 1229 - Continued

Harold Judd (continuing) - all will be tested end of 7 yrs -

* Jim Rubens - supports - see handout.

Sen Roberge - "Can Ct, Respon & rate payers"

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 1229

BILL TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

DATE: January 13, 2000 (Continued from January 6, 2000)

LOB ROOM: 304 **Time Public Hearing Called to Order:** 9:47 am

Time Adjourned: 11:43 am

(please circle if present)

Committee Members: Reps. J. Bradley, Guay, Rosen, Ham, Howard, Thomas, D. White, Maxfield, Tufts, Arnold, Eaton, Varrell, Grant, MacGillivray, Norelli, Lynde, Pitts, Kaen, Gilmore, Bergeron, Densmore and Moriarty.

Bill Sponsors: Rep. Rose, Kennedy, White, Gilmore, Tuthill and Sens. Roberge, Brown, Krueger and Cohen.

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

***Rep. Joe Alger**, supports. Don't miss this opportunity to have a rate procedure. (Also speaks for NH Co-op).

Q: Would you vote for securitization? Rate. No unknown unknown. Know liability. Rise of stock prices.

Perth Aalto, representing self – Should have information before we go into a deal. Supports bill.

Rep. Gary Gilmore – There will be a settlement because PSNH wants the $700 million cash up front. We have no assurance that NH will get a good deal out of a deal. Need rate case as a standard. PSNH would obviously like $500 million up front.

Rep. Bill Rose, sponsor. Had work help drafting bill. Merger will be biggest in NE – so big we will have no power left. Will have ability to stonewall. There will be no cooperation possible.

Mark Emmert, PUC – Will bring PUC lawyers to explain 6 January letter. Bradley have Eppler available next Thursday at 1000.

Rep. White – This thing not being handled properly. Don't like unethical people. Stranded costs not responsibility of ratepayers. Rate case must be done in open.

Deborah Schachter, Governor's Energy Office – PUC meetings are serious. Only revenues of ratepayers of PSNH are bonded by state under securitization. Breakdown of 3.7/kwhr. - ?

Respectfully Submitted:

Ralph J. Rosen, Clerk

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

PUBLIC HEARING ON HB 1229

BILL TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH

DATE: {Type HEARING DATE here} Continued 1-13-00 from 1-6-99

LOB ROOM: 302 **Time Public Hearing Called to Order:** {Time} 0940

Time Adjourned: {Time} 1143

(please circle if present)

Committee Members: Reps. J. Bradley, Guay, Rosen, Ham, Howard, Thomas, D. White, Maxfield, Tufts, Arnold, Eaton, Varrell, Grant, MacGillivray, Norelli, Lynde, Pitts, Kaen, Gilmore, Bergeron, Densmore and Moriarty.

Bill Sponsors: Reps. Rose, Kennedy, White, Gilmore, Tuthill, Roberge, Brown, Krueger, and Cohen

TESTIMONY

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John Alger - supports - Don't miss this opportunity to have a rate procedure - (also speaks for NH Coop.)

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PSNH - Obviously would like $500 M up front -

(over)

Rep Rose Sponsor – had much help with drafting bill – Merger will be biggest in N.E. – so big we will have no power left – will have ability to stone-wall. There will be no competition possible.

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Deborah Sebastian – PUC meetings are serious. Only revenues of rate payers of PSNH are bonded by state under securitization.

Breakdown of 3.7/kwh – ?

- Securitization
- IPP + Decon
- Risk

Bankrupt, merger w/ConEd other mergers who is liable?

PUC will get answers.

Testimony

IMPORTANT MESSAGE

FOR JEB & COMMITTEE (ST & E)

DATE 1-4-00 TIME 11:30 A.M. / P.M.

M

OF DON SWIFT

PHONE CPA, NEW LONDON
AREA CODE NUMBER EXTENSION

☐ FAX

☐ MOBILE
AREA CODE NUMBER TIME TO CALL

TELEPHONED		PLEASE CALL	
CAME TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		RUSH	
RETURNED YOUR CALL		WILL FAX TO YOU	

MESSAGE Re: HB 1229 —

Would like to see PSNH rate continued & brought to conclusion —

SIGNED

TOPS FORM 74600 MADE IN U.S.A. 100% RECYCLED

IMPORTANT MESSAGE

FOR JEB + ST&E Com.

DATE 1-4-00 TIME 3:45 A.M. P.M.

M. Jim Harford

OF Washington, NH

PHONE AREA CODE NUMBER EXTENSION

☐ FAX

☐ MOBILE 495-3121
AREA CODE NUMBER TIME TO CALL

TELEPHONED	X	PLEASE CALL	
CAME TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		RUSH	
RETURNED YOUR CALL		WILL FAX TO YOU	

MESSAGE RE: HB 1229

Urge ST&E to pass HB 1229

-Call Bonk if you want to

SIGNED

TOPS FORM 74600 MADE IN U.S.A. 100% RECYCLED

IMPORTANT MESSAGE

FOR JEB & ALL STATE REPS

DATE 1-3-00 TIME 2 A.M. (P.M.)

M. John Simpson

OF Lyman, NH

PHONE _____
AREA CODE NUMBER EXTENSION

☐ FAX

☐ MOBILE _____
AREA CODE NUMBER TIME TO CALL

TELEPHONED	X	PLEASE CALL	
CAME TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		RUSH	
RETURNED YOUR CALL		WILL FAX TO YOU	

MESSAGE Called to say he would like to see legislators to cause Public Utilities Commission to complete study. Re: HB 1229

SIGNED

TOPS FORM 74600 MADE IN U.S.A. 100% RECYCLED

IMPORTANT MESSAGE

FOR JEB BRADLEY

DATE 1-5-00 TIME 2:30 A.M. P.M.

M Tom Betz

OF

PHONE 271-6003
AREA CODE NUMBER EXTENSION

☐ FAX

☐ MOBILE
AREA CODE NUMBER TIME TO CALL

TELEPHONED		PLEASE CALL	X
CAME TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		RUSH	
RETURNED YOUR CALL		WILL FAX TO YOU	

MESSAGE

SIGNED

TOPS FORM 74600
MADE IN U.S.A.

100% RECYCLED

To: Science, Technology & Energy Committee

From: Hon. Robert Scott

Re: HB 1229

Date: 1/6/00

I support HB 1229 and the goals that its seeks to achieve. Please find attached a letter that appeared in more than eight different print media publications. It provides a realistic viewpoint of what are the fundamental questions that the citizens of New Hampshire should be asking. Let us not repeat the errors of the 1989 settlement. Let us this time put the greater good of the citizens of New Hampshire before special interest. I extend my gratitude for your consideration in this matter...wishing all of you a "Good Session" and thanking you for your service to the citizens of New Hampshire.

To the Editor:

While testifying before the New Hampshire Public Utilities Commission on the pending Deregulation Settlement with Northeast Utilities-Public Service New Hampshire one point became crystal clear. The citizens of New Hampshire have not been presented with all of the facts and more than likely most people believe the details of the agreement were so complex that they did not even attempt to spend time learning how it would affect them and their family for a very long time. This observation was not due to any extra sensory perception on my part but by the simple fact that I was one of the two members of the public testifying. Picture this, the room filled with every manner and shape of special interest lobbyists, lawyers, unionists, environmentalists and vested interested private citizens. To the best of my ability I could not even find one member of the NH Legislature. If we have become so apathetic of the public process we should never complain about the all of the "Special Deals" being cut down in Concord.

My remarks open by complimenting the senior management team of NU for negotiating an amazingly favorable deal which had added so much value to their balance sheet that they were a very attractive acquisition for Con-Edison of New York. The value of NU stock almost double since this "Deal" came into play and the corporate officers and shareholders are and will benefit greatly. As a strong advocate of the free market system I applaud their intelligence and excellent corporate strategy but the question that citizens should be asking, where was our intelligent public sector mangers advancing the general interest and benefit of the State and the Public Trust that they have been vested to serve ?

From the public perspective this "Deal" is so amazing bad with ever more adverse effects to public benefit as it continues for the twelve years of its contractual commitment. How can anyone who has a concern for the public interest believe for a moment that this pending agreement benefits the citizens of New Hampshire? The public has been feed over and over again with the fact that there will be a reduction in their electric utility rate. Yet the fact is this miniscule rate reduction has been given at the expense of a bohemith size debt placed upon the backs of the public. Securitazation is risky, with the lion share falling not to shareholders but to the taxpayers. This "Deal" is not a fair and equable transaction. As the State swirls round and round on the debate of what is equable and fair in funding public education, where is the Corner Office in extending that same level of egalitarian concern on this significant matter? The silence is deafening. I can think of nothing more unfair than corporate officers and shareholders being greatly enriched and benefited at the expense of impairing the citizens of New Hampshire.

There are four facts every citizen and ratepayer should know.

1. The consideration given in rate reduction are not adequate compensation to the amount of private sector debt that will be secured by public sector funds.

2. The consideration given in rate relief is not sufficient to cover the down side risk in public liability and enhanced financial exposure. The secured obligation is no longer the concern of shareholders but of taxpayers.

3. The up side benefit to shareholders and officers of NU is completely inequitable to the level of benefit and rate relief of the taxpayers and ratepayers in New Hampshire. If the shareholders are making a dollar while the ratepayers are saving a dime ..this is not a fair or equable transaction.

4. The comparison of rate reduction that could be given to ratepayers without securitazation has never been publicly discussed. Is eighteen percent or fourteen percent a "good deal" in light that these levels of rate relief could be achieved without the public assuming hundreds of millions in private sector debt?
If we had stronger public sector managers should that rate relief not be more in the twenty five to thirty percent range?

It is time that we further reflect on these significant issues and do not let the taxpayers be hood-winked once again by Special Interest and their political instruments in Concord, who are not vested with the Public Trust but are comfortably held in their pockets. If you do not ask and you do not care than you should also not be concerned of how the many are once again being used to enrich the few. As the old Yankee proverb states " once burnt be then twice shy."

Robert Scott
Newport, New Hampshire

* I support what Rep. Alf Jacobsen said to the bill as properly sponsored by Rep. Tuthill + Senators Cohen + Brown (both spoke) + Sens Rubbone + Trueger, for a true vote by Reps. Bergeron, Grant, Ham, Howard, MacGillivray, Morelli + Pitt = 7 only per RSA Ch. 9:8-b(1) against the others for their violation of RSA Ch. 92:2 oath of office + NOT vote for any underfunded bills HB 117 + /or 995 of 1999 (see 97-001 C [guaranteed care at MH supreme court.)

DSH
(discretionary #6 Attny Ipher)

Please transfer $ to HB 1229

↑ why doesn't your secretary pick up these old papers between hearings!?



NEW HAMPSHIRE CITIZENS FOR A SOUND ECONOMY

Richard J. Killion
State Director,
New Hampshire CSE
rkillion@cse.org

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Concord, NH 03301
PH: 603 229-3000
CELL: 603 496-8208
FX: 603 229-3001
www.cse.org

January 6, 2000
Concord, NH

Prepared Statement
of
Richard J. Killion
Before the
Science, Technology & Energy Committee of the
New Hampshire State House of Representatives

Mr. Chairman, I thank you for the opportunity to provide a brief statement before the Committee this morning. I am Rich Killion, State Director for New Hampshire Citizens for A Sound Economy. NH-CSE is a state chapter of CSE -- a grassroots citizens network dedicated to free markets and limited government...we commit ourselves to the pursuit of common-sense economic policies as common sense solutions to our policy challenges...

My appearance this morning is for the purpose of encouraging the Committee to give its support to HB1229.

Granite State consumers, like all consumers, are afforded the right to shop around for the best value in buying their goods and services. Hopefully, in the near future, we will have the right of choice in electricity. To get to this point, however, a process must take place. One that is appropriately complex – given the nature of the issue – and thorough. And to ensure thoroughness, the legislature needs to ensure it has, at is disposal, the most accurate and detailed information.

Although the settlement process offers opportunity for input and a wide breath of opinion and inquiry, it must be ensured that the most accurate information on costs and benefits are attained. The PUC's completion of the Rate Case – opened over two years ago and halted when the settlement was proposed and moved forward – is an important step in collecting critical information for decision-making.

The completion of the rate case will provide the legislature and our state's consumers with more thorough information – which, no doubt, will provide a better comparison base for review of the settlement.

In the year ahead, the issue of electric rates and the restructuring will no doubt be one of the dominant issues on the state's agenda. In addressing your attention to the review of the settlement and in serving the interest of the public, I believe it serves all of us well if you do so with the most precise and complete information possible.

I respectfully ask for your support of this bill.

January 6, 2000

Testimony on our bill - HB- 1229 at Science & Technology Committee on Jan.6th, 2000 Concord, N.H.

I'm State Representative Bill Rose from Richmond. Speaking in favor of HB- 1229.
Our bill directs the PUC to hold a hearing (or hearings) on the "rate" case.

I recognize several members, who were serving in the House, back in 1989. When NU (Northeast Utilities) asked for a 5.5% electric rate increase, as they were merging with PSNH - during the bankruptcy.

This was over 10 years ago, so it is hard to remember all the details. But, Harold T. Judd's testimony (before the PUC) refreshed my memory. He was Assistant to the Attorney General ; and he worked on the agreement with PSNH/Nu. Members that were there, probably will remember that The House didn't want to be directly involved in the agreement.But, a bill was passed (which became RSA 362 C). This gave power to the PUC, in order to approve the agreement with PSNH/NU - "<u>if</u> the agreement would be consistent with the public good". It is accurate to say, that the final order of the PUC in DR89-244 is the controlling document - not the rate agreement".

During the negotiations,the PSNH/NU people tried to make the agreement a " contract " with the State; but it was not included in the final agreement. The rate agreement provided for 7 years of compounding interest of 5.5% in each year. At the end of the 7 years, PSNH/NU would be subject to traditional rate making before the PUC. They didn't live up to the agreement. So,here we are 3 years later with HB-1229. Shouldn't we feel like Yogi Berra, when he said " this is like de je vu - all over again "!

If this situation involved a regular business, instead of a monopoly, do you think they would get away with violating such an important agreement? Instead of honoring the agreement, PSNH/NU went to a " friendly " court judge who issued a temporary " stay ".

Now, PSNH/NU wants approval from the PUC and The Legislature for a new deal. They want to add another extra charge on 400,000 citizens electric bills. Of course, they'll give us a " carrot type "reduction for a year or so but then rates will go up up up ! This deal includes stranded costs & securitization. Someone else may comment on that. But, I will say that both of these figures are too high; and securitization is a big question mark.

If there are PSNH/NU officials here today, I say to them- you would have better public relations, if you treated your customers more as "people" not just rate payers; and concentrate less on the bottom line. Basic fairness,honesty and trust are of equal importance. You did not adhere to the 7 year agreement; can we now trust you to abide by a new 12 year agreement? Or would you extend it to 15-20 years -if you felt like it ?

Members of the Committee, do you think I would be naive

If I asked the PSNH/NU officials to amend the current plan or devise a better & more reasonable plan - one that the PUC & The Legislature could approve ? Time will tell. But, today, I'm asking the officials to consider joining us in support of HB- 1229. This would be a positive signal to the Legislature, that you do want to cooperate, in trying to solve this electric utility dilemma.

Mr. Michael, Morris President of NU, " said a healthy relationship with the regulators of N.H. is in the long term interest of NU and it's shareholders". Today would be a good time to start that possible healthy relationship by supporting HB-1229. Are there any questions ??
Thank you Mr. Chairman & Members Of The Committee.
I hope you will pass HB-1229

Jim Rubens
11 Laramie Road
Etna, NH 03750 643-6059 JimRubens@aol.com

Testimony supporting HB-1229

JR background, SB-168, 1996 Chair Econ Sub Oversight Committee, fought for several ratepayer-protective features in Restruct Law HB-1392 (litigation), Intervenor 99-099

Thank Bill Rose

HB-1392:

RSA 374: F-3, VII: "Choice for retail customers cannot exist without a range of viable suppliers."

XII: "Nothing in this section is intended to provide any greater opportunity for stranded cost recovery than is available under applicable regulation or law on the effective date of this chapter."

Thus, the PUC is now bound by present law. The settlement may not yield rates greater than would exist under a regulated paradigm. The settlement may not allow restructuring without competition.

Because the Executive branch and parts of the PUC staff support the settlement and because the PUC has seen fit to give heavy proceedural preference to the settlement, it is up to the legislature to actively defend the present law – protective of ratepayers.

The issue in this HB-1229 is not whether or not we need fairness benchmarks for the settlement, because we all agree that benchmarks are needed. The issue is precision and the degree of certainty we need with respect to the rate case outcomes. We need a highly precise information, not the potentially reduced range of conjecture, embodied in Phase II of the PUC's ongoing settlement proceedings – for two reasons.

1. The range of claims is too great and the PUC has no power adjudicate them. The present range of claims for rate case average rate drops range from about 13 percent (PSNH) to more than 30 percent (OCA) as of early 2001, when Seabrook amortization is paid off. This range is simply too wide to provide a benchmark. The problem under the restructuring proceeding is: How can the PUC narrow this range without an actual ruling? The issue of regulated rates was never noticed by the PUC, so claims can and will be made that all evidence not filed and the record was not sufficiently developed to protect due process rights of parties and that, therefore, whatever benchmarks may be developed may not carry any force of law.

2. Even low case rate case rate cuts put rate case and Settlement benefits too close to call with present data. The Settlement's benefits to ratepayers compared to a rate case is clearly not a foregone conclusion as customer benefits, particularly residential, are marginal, at best. Development of a factual record only under Phase II will not allow a call to be made.

According to the December 30 testimony of Dr. Richard Rosen, Tellus, as of 2003, average Settlement rates are likely to have fallen by only 9.7 percent, barely more than securitization only (at 8.2%). Because securitization is, on balance, a concession by ratepayers, not by the company and because securitization is available to ratepayers under

a regulated paradigm, this is too close a call. Rosen also testifies that the settlement is likely to yield no retail competition for the "foreseeable future," i.e., even after the 3 year transition period. He provides very strong evidence for this by cataloguing the degree of market penetration by competitors in states where transition rates have been set below 5.5 cents.

PSNH has already conceded, Tuesday in a meeting at the BIA, that transition rates are too low and has in effect bumped them by .3 cents, partially reducing deferrals, but bringing the year one Settlement rate cut to 14-15% (which should still be netted down to reflect certain deferrals), again making the comparison between rate case and Settlement too close to call without the precision called for in HB-1229.

Repeat: low case (PSNH) estimates as to rate case outcome appear to provide equivalent ratepayer benefits – with no securitization risk loaded on ratepayers. Add securitization, and the rate case is far better for ratepayers.

Liklihood of conditioning deal to make it substantially (ie even 50%) better for ratepayers is low, given NU's current posture and bargaining history since Steve Merrill rejected their 20% rate cut offer in 1996. The history shows that NU has barely budged over four years.

Legal risk in rate case. GOECS argues that the RI judge will intercede in a rate case. May try, not sustainable. There is no precedent for federal role in conventional, non restructuring rate matters.

Note again the range of rate case projections (for early 2001) 13 percent to 30 percent plus. An argument may be that we should not trust OCA's, LaCapra, McCluskey, Rosen numbers, but should trust NU's numbers.

Please look at NU's trustworthiness before reaching such a conclusion:

For example: Section XIV (C) of settlement appears to provide upside for ratepayers should PSNH t&d assets be sold. Now that ConEd the acquisition has been made public, NU has stated that the provision does not apply to the acquisition premium. The ConEd negotiations must have been ongoing at the time the settlement agreement was finalized. Asking ratepayers to cover what they claim is 85% (actual number is higher) of stranded costs, yet giving ratepayers no benefit of gains on sale of t&d Assets, for which ratapeyers have paid 100%. I can only conclude that the upside sharing provision was crafted only to mislead ratepayers.

Lowball transition rate to make the deal look better than it really is and to trick the legislature into thinking that the near term rate relief principle is being met. PSNH, as we noted, this week, has conceded that their transition rates were lowballed.

NU claims its Settlement will withstand scrutiny of experts, yet it seeks to bar testimony from individuals who have presented evidence that the rate agreement NU claims requires high levels of stranded cost recovery terminated as of 1997. Out of pure embarrassment, NU reversed position yesterday morning.

Evidence they sought to bar – to increase the sketchiness of the record on the likely rate case outcome:

· Motion to Strike the Testimony of Harry T. Judd Submitted by the Office of the Consumer Advocate – Judd documentary evidence that both state and PSNH and NU clearly establish in 1989 that no contract for recovery existed and that normal ratemaking began 7/97.

· Motion to Strike the Supplemental Testimony of Robert A. Backus, submitted by the Campaign for Ratepayers Rights – that deferral in the settlement could reach $400 million; and that, even if Mike Cannata's argument that for the settling parties that higher wholesale prices will offset lowball transition prices proves true, "retail adders" not so offset and not taken into account in the settlement proposal, will create $125 to $250 million in deferrals, paid by ratepayers with 8% interest.

· Motion to Strike Portions of the Supplemental Testimony of Dr. Richard A. Rosen Submitted by the Office of the Consumer Advocate – average reduction for all customer classes 9.7 % in 2003; retail competition not likely during and after 3 year transition period; retail customers likely to see sharp rate increase in 2003; securitization may be combined with rate case to deliver larger savings than settlement; higher transition rates and lower stranded cost charges may be combined to deliver 18.3; Settlement rate reduction of 18.3% good for year one of the settlement only, then rates rise.

· Motion to Strike the Direct Testimony of Richard La Capra Submitted on Behalf of Staff Advocates – that PSNH gets full recovery on generating asset Stranded Costs, and all gains on sale of t&d, customers nothing – and that the extent to which promised merger savings will be passed on to NH ratepayers is highly uncertain.

NU claimed in the first of those filings (Judd) that the AG's office would not waive work product and attorney client privelages. AG's office testified yesterday before the PUC that this was not so.

In conclusion, legislature must act to protect ratepayers because the Executive branch will not, as it is a party with NU in the Settlement. And the PUC does not has only the the power to create a speculative range of rate case outcomes, not a legally defensible comparative benchmark. Because the Settlement benefits are marginal at best, precision is required to make this close call (using NU numbers).

There is no substitute for direct legislative action.

Testimony on HB 1229: "requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH"

TO: The Honorable Jeb Bradley, Chairman
Science & Technology Committee

FROM: Representative John Alger January 6, 2000

Honorable Chairman and Members of the Committee,

My name is John Alger, State Representative for Grafton County District #9. I support this bill and urge its thoughtful adoption by the Committee.

For some time a constituent of mine and I have received the testimony in the proposed "deal" with PSNH and attempted to understand the proceedings. Further, since my District is on the NH Co-op lines we followed that negotiation as well... as best we could!

Here are observations and support for requiring the rate hearing before concluding a deal with PSNH:

1) Experts and lawyers remain far apart on the prospects for rate improvement. The Office of Consumer Advocate sees a 30% rate improvement prospect through the rate case which the PSNH protests partly, it seems, by asking to expunge some of such testimony rather than address it...

2) The new Chairman of Northeast Utilities came into office of a distressed utility operationally and financially. As any good Chairman should, he sought ways to improve shareholder value. Prospects for a deal attractive to shareholders with PSNH and the Con-Ed buyout have done it! The stock rose from $13.55 to $22.00 per common share in 7 months (see chart) about $1.1 Billion increase in market value with a market cap of $2.73 Billion on January 3, if I read the chart correctly.

At a proposed $25 merger price, another $395 million will be added, I expect... alot of money... Why is the market so happy with the proposed PSNH deal? Of course... it's a good deal for the shareholders! But is it good for the rate payers? Not without a substantial reduction or elimination of stranded cost from the market rise, in my view!

3) As a Co-op rate payer I urge utmost caution regarding the proposed PSNH deal. Here is why from our experience:

a) I understood from various experts and naysayers on the PSNH deal that the Co-op got a reasonably good deal.

b) Therefore we all supported the deal. It started January 1, 2000

c) Here is Co-op history & forecast of residential rate:

	1990	1992	1994	1996	1998	2000
ct/KWH:	8.55	9.48	13.32	13.24	17.15	13.55

SOURCE: Consumer Advocates office

The year 2000 is an 18.8% reduction from 16.68 in 1999. Note that, as a starting point, this makes our 2000 rate higher than in 1996! Further, the forecast is a gradual increase to 14.21 in 2005 and 15.31 in 2010. Finally, please note the reduction is only in the competitive market part of the rate with the fixed part at 9.32 in 2000 rising to 9.6 in 2005 and 10.14 in 2010. Granted these are only estimates but they reflect the thinking of an ever rising rate still among the highest in the nation!

In 1996, my home was chosen for the ill-fated Co-op Pilot Plan and was offered electricity by several companies at 3 cents or less! Now the transition rate is 4.22, from Southern company, and that is only through May of this year! What will happen to the rate in the hot summer months?

The Co-op deal is awfully fragile, it seems to me, and keeps us in the high end of electric rates nationwide indefinitely. Is that what the PSNH deal will do as well?

I hope you and the Committee will lay out the history and forecast of all the rates in detail of any deal and have a complete rate case with which to compare it before jumping into the caldron of securitization. I end on some of your testimony on December 17, 1999 and my comments to it:

a) PSNH's 1999 rates are 33.6% higher than the New England average all sector rate of 9.7 cts/KWH... Therefore, any reduction in NH less than 33.6% keeps us above New England which probably has the highest regional prices in the nation!

b) ...PSNH testified to the Commission in 1989 when describing the prspective rate path: "after the Fixed rate period, PSNH should experience a period of relatively stable rates."

Does 23% increase in 1998, after the seven year 5.5% increases, for the Co-op represent stable rates??

"Trust but verify" is the motto to adopt in this situation. Use rate case completion as a benchmark for any deal.

I hope the Committee will vote OTP on this bill. Thank you for your attention and interest.

(LEGISLAT\00HB1229)

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NU - Northeast Utilities

Short . Basic . Detailed ... Show as decimals

20 3/4	as of	high	low	open	prev close	bid - ask	52-wk range
	12:22 PM EST	20 7/8	20 3/8	20 1/2	20 11/16	N/A	13.56 - 22
+ 1/16 ▲ 0.30%		volume	p/e	eps	dividend	yield	market cap
		158,500	N/A	-0.69	0.100	1.93%	2,729,994,500

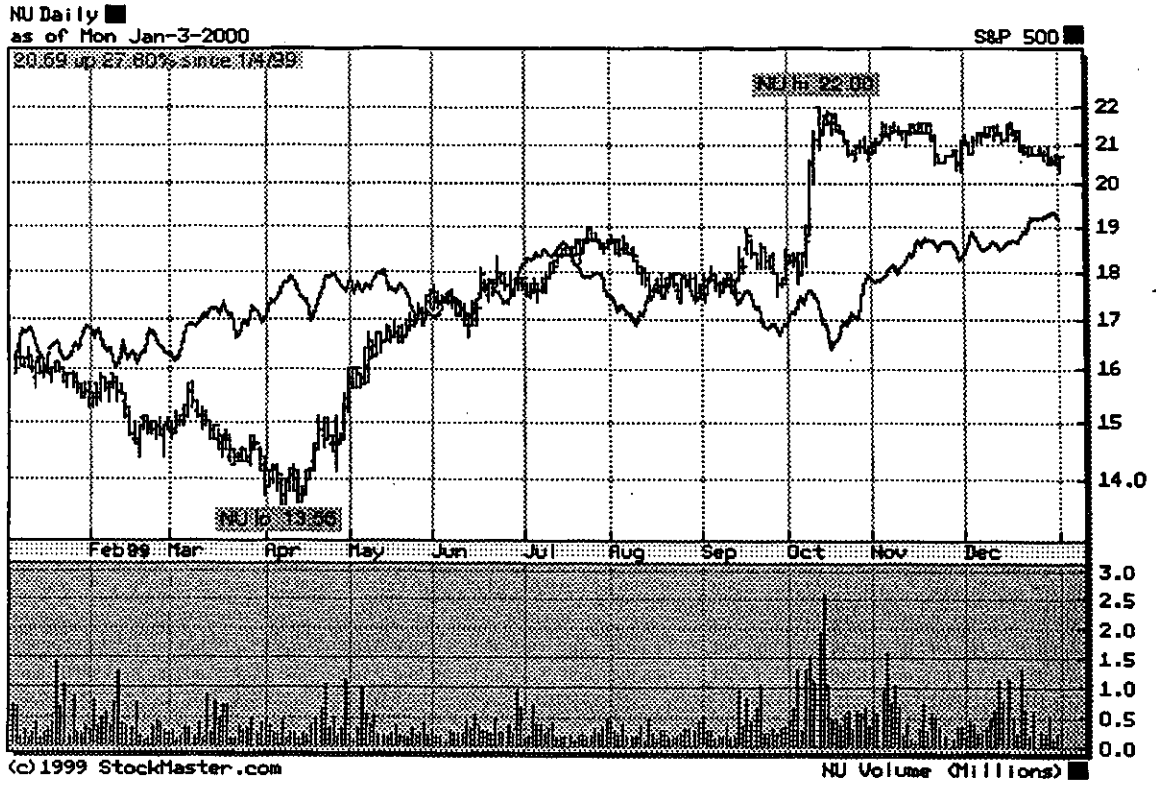
Basic | Comparison | Technical | Everything | What if I had invested $10K ...

Time Frame 1m . 2m . 3m . 6m . YTD . 1y . 2y . 3y . 5y . 10y
Scale Log+ . Log . Linear

Moving Averages None . [13,50] day . [50,200] day *(Exponential)*
Compare to Index None . S&P 500 . DJIA . NASDAQ . TSE 300

Did you know that... clicking on *[13,50] day* on the Basic tab displays the 13 and 50 day exponential moving averages?

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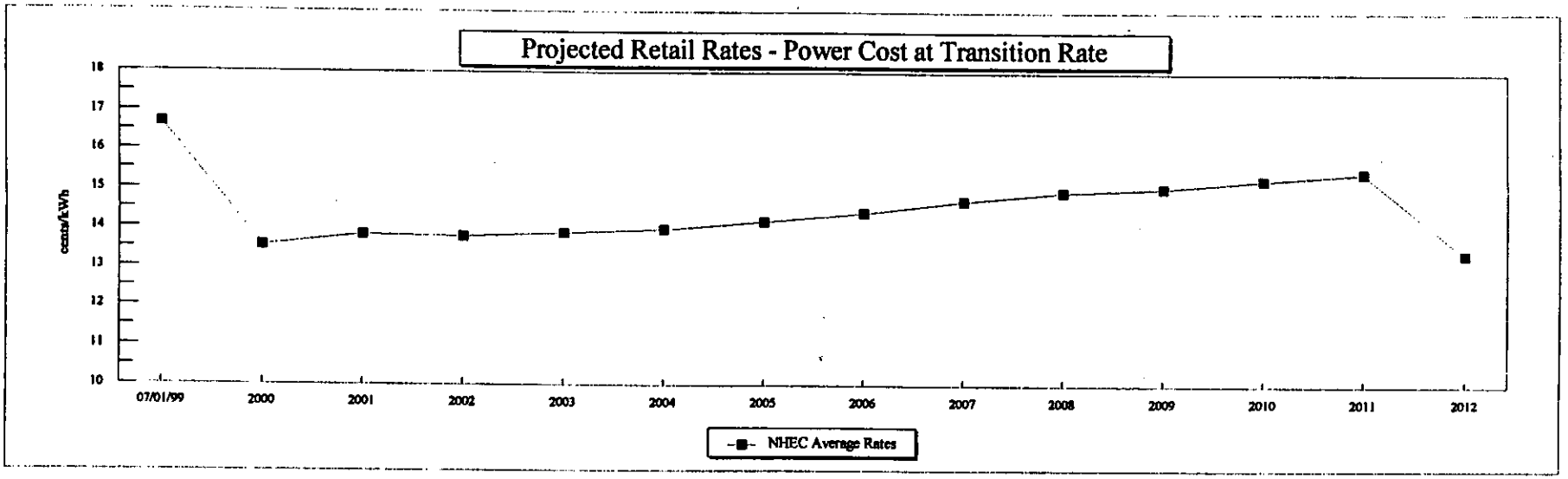
FINANCIAL FORECAST - REVISED RESTRUCTURING COMPLIANCE FILING

CONFIDENTIAL

Docket No. DR 98-097
Revised Attachment HKS-5

1.15 DSC Fix DSM rate
Increase Default Balance for last 10 days of 12/99
Edit RNS/LNS Billing Determinants

$18.0 million term. pmt 1/1/2000	pay PSNH note 12/99
Transition Svc per RFP then	4.3¢ for 2 years



¢/kWh	07/01/99	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
NHEC Average Rates : assumes Termination Payment & Seabrook Debt Amortized over 12 years														
Stranded Costs (o)		2.97	2.98	2.98	2.95	2.78	2.77	2.77	2.76	2.74	2.54	2.48	2.36	0.00
Wholesale Wheeling(1)		0.70	0.70	0.70	0.70	0.72	0.72	0.72	0.72	0.72	0.74	0.74	0.74	0.74
Delivery Service (2)		5.42	5.39	5.36	5.45	5.55	5.65	5.74	5.92	6.09	6.28	6.47	6.66	6.86
Public Policy(3)		0.23	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
SubTotal		9.32	9.53	9.49	9.56	9.50	9.60	9.69	9.85	10.01	10.02	10.14	10.22	8.06
			2.2%	*-0.3%*	*0.6%*	*-0.5%*	*1.0%*	*1.0%*	*1.7%*	*1.6%*	*0.1%*	*1.2%*	*0.8%*	*-21.2%*
Transition Rate		4.22 (4)	4.30	4.30	4.33	4.48	4.61	4.73	4.88	4.97	5.07	5.17	5.26	5.36
Total	16.68	13.55	13.83	13.79	13.89	13.98	14.21	14.42	14.73	14.98	15.09	15.31	15.48	13.42
		-18.8%	*2.1%*	*-0.2%*	*0.7%*	*0.7%*	*1.6%*	*1.5%*	*2.2%*	*1.7%*	*0.8%*	*1.4%*	*1.1%*	*-13.3%*
Cumulative		*-18.8%*	*-17.1%*	*-17.3%*	*-16.7%*	*-16.1%*	*-14.8%*	*-13.5%*	*-11.7%*	*-10.2%*	*-9.5%*	*-8.2%*	*-7.2%*	*-19.6%*

(o) Seabrook, Bankruptcy $5.5mm note, QF power, Maine Yankee(?) = $18mm + 5.5mm?+ ?
(1) Regional Access
(2) Delivery charge - includes Co-op lines + Restructuring costs (new computer bills) + Maine Yankee settlement (1 year)
(3) Conservation & Load Management + Energy Assistance + NH TAX
(4) 3.7¢ wholesale, 4.2 includes line losses + $mm (0.01) consultant fee on RFP. Sent to 20 suppliers, 12 responded, 8 initial bids, 4 negotiations, Southern Co. chosen *

* Co-op bought 1/2 of credit for $1/5MW required by Southern because of negative Co-op equity.

363:18-a Authority to Contract for Power. The public utilities commission is hereby designated as the agency of the state to bargain with the Power Authority of the State of New York for the procurement of power capacity and power output from said power authority and to bargain with the appropriate agencies and officials of Canada or its provinces for the procurement of power capacity and power output therefrom, with the right to contract for the purchase of such power, and resale of such power on a nonprofit basis to the electric distribution companies, cooperative, municipal and privately-owned without preference or discrimination for distribution within the state. The public utilities commission with the consent of the governor and council is authorized and empowered to enter into contracts for the transmission of such power from the place of purchase to a point, or points, within the state of New Hampshire.

HISTORY

Source. 1955, 237:1. 1979, 151:1, eff. Aug. 4, 1979.

Amendments—1979. Inserted "and to bargain with the appropriate agencies and officials of Canada or its provinces for the procurement of power capacity and power output therefrom" following "power authority" in the first sentence.

LIBRARY REFERENCES

CJS
Public Utilities § 65.

363:19 Disqualification of Member. No commissioner shall sit upon the hearing of any question which the commissioner is to decide in a judicial capacity who would be disqualified for any cause, except exemption from service and knowledge of the facts involved gained in the performance of his official duties, to act as a juror upon the trial of the same matter in an action of law.

HISTORY

Source. 1911, 164:2. 1913, 145:4. 1915, 99:1, 2. PL 237:18. RL 286:17. 1951, 203:10 par. 17, eff. Sept. 1, 1951.

Revision note—1995. Substituted "for" for "from" following "would be disqualified" for clarity.

CROSS REFERENCES

Grounds for disqualification of jurors, see RSA 500-A:12.
Hearings generally, see RSA 365:8 et seq.
Special commissioners, see RSA 363:20, 21.

LIBRARY REFERENCES

CJS
Public Utilities § 66.

363:20 Special Commissioner. If at any time a commissioner shall be disqualified or unable to perform the duties of his office, the governor, upon application of the commission, may, with the consent of the council, appoint a special commissioner to act in his place during the period of the commissioner's disqualification or inability to act.

HISTORY

Source. 1911, 164:2. PL 237:19. RL 286:18. 1951, 203:10 par. 18, eff. Sept. 1, 1951.

ANNOTATIONS

Cited
Cited in Appeal of Seacoast Anti-Pollution League (1984) 125 NH 465, 482 A2d 509;

Appeal of Seacoast Anti-Pollution League (1984) 125 NH 708, 484 A2d 1196.

LIBRARY REFERENCES

CJS
Public Utilities § 63.

363:21 Compensation. The commissioner so appointed shall be paid a reasonable compensation per day for his services, and his necessary expenses, to be allowed by the governor and council and paid from the state treasury.

HISTORY

Source. 1911, 164:2. PL 237:20. RL 286:19. 1951, 203:10 par. 19, eff. Sept. 1, 1951.

Investigation of Interstate Matters

363:22 Investigations. The commission may investigate all existing or proposed interstate rates, fares, charges, classifications and rules and regulations relating thereto, where any act thereunder may take place within this state.

HISTORY

Source. 1913, 145:12. PL 237:22. RL 286:21. 1951, 203:10 par. 20. RSA 363:22. 1979, 494:5, eff. Aug. 1, 1979.

Amendments—1979. Deleted "upon complaint" between "may" and "investigate".

ANNOTATIONS

Cited
Cited in Inter-Island Steam Navigation Co. v. Hawaii, 305 U.S. 306, 59 S.Ct. 202, 83 L.Ed. 189 (1938).

Committee

Testimony on HB 1229: "requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH"

TO: The Honorable Jeb Bradley, Chairman
Science & Technology Committee

FROM: Representative John Alger January 6, 2000

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(LEGISLAT\00HB1229)

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NU - Northeast Utilities

Short . Basic . Detailed ... Show as decimals

20 3/4	as of	high	low	open	prev close	bid - ask	52-wk range
+ 1/16 ↑ 0.30%	12:22 PM EST	20 7/8	20 3/8	20 1/2	20 11/16	N/A	13.56 - 22

volume	p/e	eps	dividend	yield	market cap
158,500	N/A	-0.69	0.100	1.93%	2,729,994,500

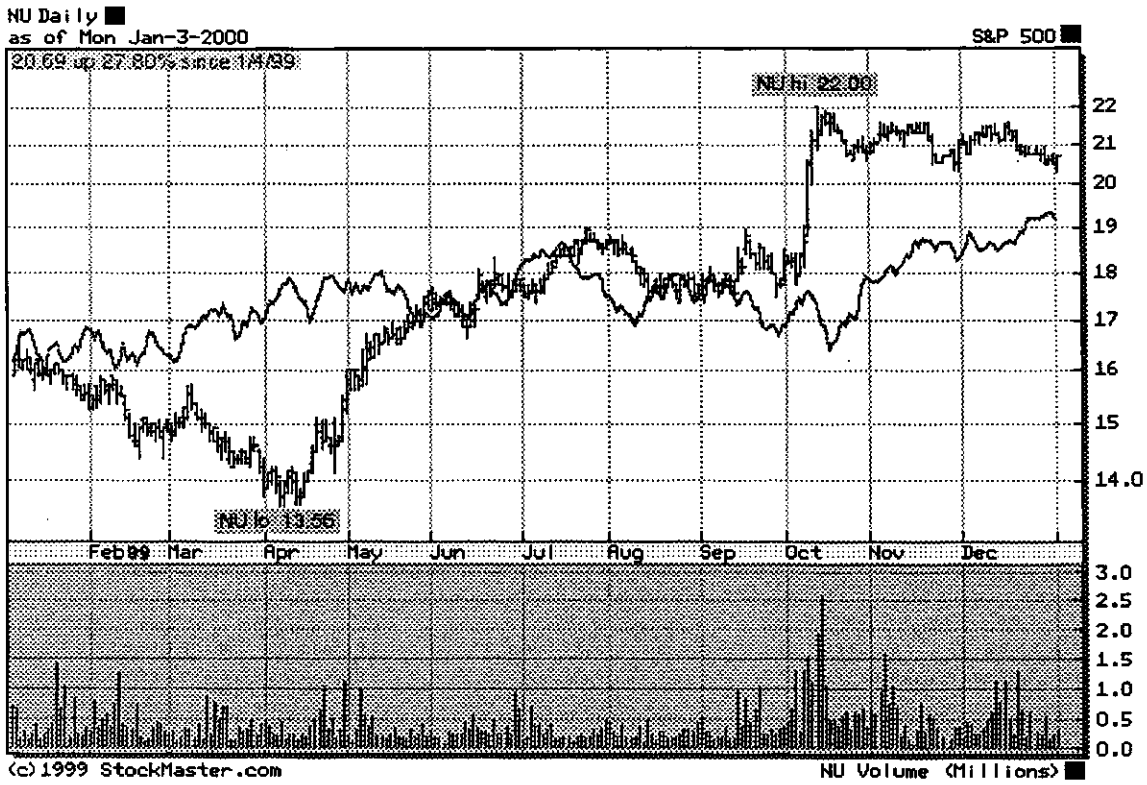
Basic | Comparison | Technical | Everything | What if I had invested $10K... | Coolest

Time Frame 1m . 2m . 3m . 6m . YTD . 1y . 2y . 3y . 5y . 10y
Scale Log+ . Log . Linear

Moving Averages None . [13,50] day . [50,200] day (Exponential)
Compare to Index None . S&P 500 . DJIA . NASDAQ . TSE 300

Did you know that... clicking on *[13,50] day* on the Basic tab displays the 13 and 50 day exponential moving averages?

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NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

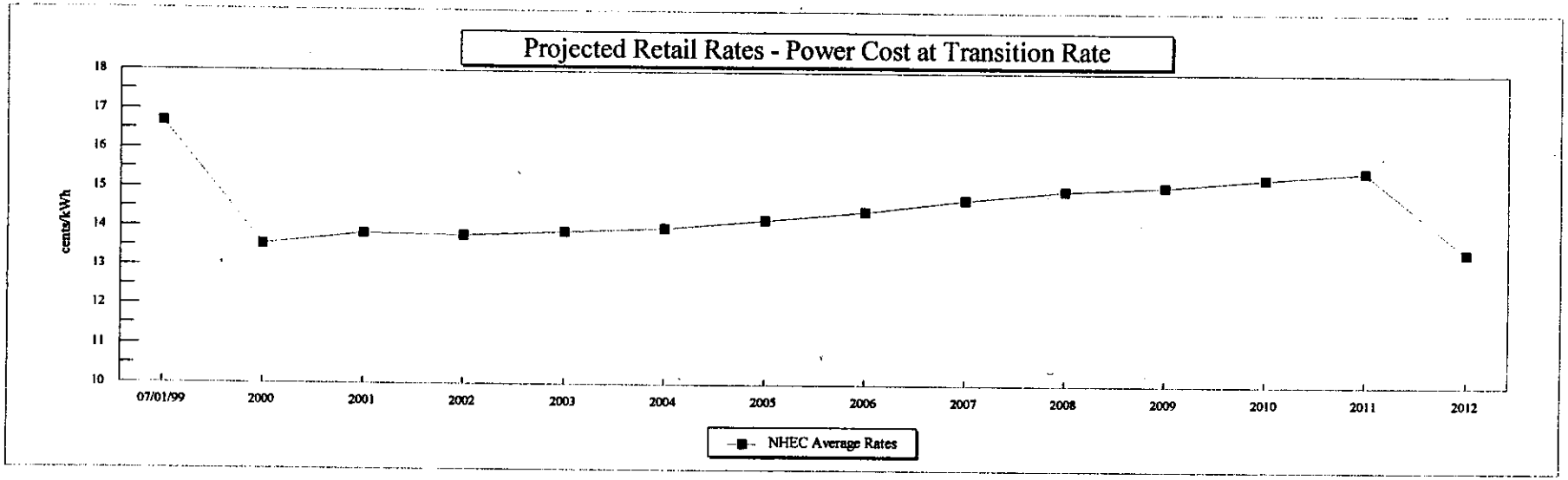
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FINANCIAL FORECAST - REVISED RESTRUCTURING COMPLIANCE FILING

Docket No. DR 98-097
Revised Attachment HKS-5

1.15 DSC Fix DSM rate
Increase Default Balance for last 10 days of 12/99
Edit RNS/LNS Billing Determinants

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Cumulative		*-18.8%*	*-17.1%*	*-17.3%*	*-16.7%*	*-16.1%*	*-14.8%*	*-13.5%*	*-11.7%*	*-10.2%*	*-9.5%*	*-8.2%*	*-7.2%*	*-19.6%*

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* Co-op bought 1/3 of Credit for $1.5MM required by Southern because of negative Co-op equity.

your NEW HAMPSHIRE Electric Co-op

New Hampshire Electric Cooperative, Inc.
579 Tenney Mountain Highway
Plymouth, NH 03264-3154
(603) 536-1800 • (800) 698-2007
Outages: (800) 343-6432
E-mail: nhechq@nhec.com

SCHEDULE OF RETAIL RATE COMPONENTS

EFFECTIVE JANUARY 1, 2000

To Our Members,

This information is a summary of our current rates, effective January 1, 2000. All rates are based on monthly billing, which as far as possible will be thirty days apart.

Rate Components & Definitions of Terms

The bill you receive shows the different components of the rate as separate line items. You are billed monthly under the following categories:

The **Distribution Charges** allow the Cooperative to recover the costs of transporting electricity to the customer over the poles and wires and recovers costs for operating and maintaining the system including financing, capital, administration and other costs of doing business. Distribution charges are broken down into the following categories:

The **Customer Charge** is a fixed amount each month whether or not any kilowatt-hours are delivered.

The **Delivery Charge** is based on the amount of kilowatt-hours (kWh) of electricity the Cooperative has delivered to a member during a meter read period.

The **Demand Charge** is only applied to large general, commercial or industrial members. It is based on the highest monthly demand measured.

The **Stranded Cost Charge** represents the Cooperative's net costs (less revenues) of Seabrook and terminating the power supply contract with PSNH.

The **Regional Access Charge** represents the cost of having access to the regional transmission system and associated expenses.

The **Conservation & Load Management (C & LM) Surcharge** recovers the costs of energy efficiency programs/benefits provided to Cooperative members.

The **Restructuring Surcharge** is included to cover the costs of implementing Retail Competition.

The **Interim Energy Assistance Surcharge**, in accordance with NH Public Utilities Commission approval, supports a program to provide bill relief for residential members who meet certain income qualifications.

The **Transition/Default Power Service Charge** represents the cost of power the Cooperative purchases through a competitive bid process. This power supply provides electric service to Co-op members who have not chosen a competitive energy supplier, are between suppliers or whose suppliers are unable to provide power for any reason.

The **NH Consumption Tax** of $0.00055 per kwh is charged on all accounts in accordance with State Statute.

SERVICE CHARGES

The following service charges for establishing or re-establishing an electric service account apply to all residential and general rate classes:

$ 7.50 – if no NHEC employee must be sent by the cooperative to the location.

$20.00 – if during the employee's regular working hours.

$45.00 – when necessary to send an employee outside regular working hours.

This information is provided in accordance with the New Hampshire Public Utilities Commission (NHPUC) Rules. Complete tariffs are available on our web site at **www.nhec.com**. *If you have any questions, please contact our Plymouth, NH office. If you have further questions or concerns, you may call the NHPUC Consumer Assistance Department at* **1-800-852-3793**.

Summary of Unbundled Rates

Rate	Block	Distribution Charges	Stranded Cost Charge	Regional Access Charge	C & LM Surcharge	Energy Assistance Surcharge	Restructuring Surcharge	Transition/ Default Power Service
D-Residential Service Single phase individual residence	All kWh Customer Charge	$0.04219 $9.20	$0.02987	$0.00812	$0.00146	$0.00041	$0.00154	$0.04162 12.52
DC Residential Service w/Controlled Water Heating	First 600 kWh Next 400 kWh Over 1000 kWh Customer Charge	$0.04219 $0.04219 $0.04219 $9.20	$0.02987 $0.02987 $0.02987	$0.00812 $0.00240 $0.00812	$0.00146 $0.00146 $0.00146	$0.00041 $0.00041 $0.00041	$0.00154 $0.00154 $0.00154	$0.04162 12.52 $0.04162 11.949 $0.04162
DW Closed Rate	All kWh Meter Charge	$0.04219 $3.00	$0.02987	$0.00812	$0.00146	$0.00041	$0.00154	$0.04162
DWC Closed Rate	All kWh Meter Charge	$0.04219 $3.00	$0.02987	$0.00240	$0.00146	$0.00041	$0.00154	$0.04162
OPH - Residential **- General** Controlled Storage Space Heating, Storage Water Heating & Dual Fuel, separately metered	All kWh All kWh Meter Charge	$0.02435 $0.02435 $3.00	$0.02987 $0.02987	$0.00009 $0.00009	$0.00146 $0.00177	$0.00041 $0.00041	$0.00154 $0.00154	$0.04080 $0.04080
TOD - Residential **- General** Time of Day	All On-Peak (TDN) All Off-Peak (TDF) All On-Peak (GTDN) All Off-Peak (GTDF) Meter Charge Customer Charge	$0.04219 $0.04219 $0.04906 $0.04906 $4.25 $9.20	$0.02987 $0.02987 $0.02987 $0.02987	$0.03749 $0.00009 $0.03749 $0.00009	$0.00146 $0.00146 $0.00177 $0.00177	$0.00041 $0.00041 $0.00041 $0.00041	$0.00154 $0.00154 $0.00154 $0.00154	$0.04629 $0.03826 $0.04629 $0.03826
GDEM General service with greater than 100 kilowatts demand	All kWh All kW	$0.01610 $5.33	$0.02987	$0.00585	$0.00177	$0.00041	$0.00154	$0.04162
G General service with less than 100 kilowatts Demand	All kWh Single Phase (G) Three Phase (G3)	$0.04906 $9.20 $20.20	$0.02987	$0.00585	$0.00177	$0.00041	$0.00154	$0.04162 13.612
GWS Closed Rate	All kWh Customer Charge	$0.04906 $9.20	$0.02987	$0.00585	$0.00177	$0.00041	$0.00154	$0.04162
GWSC/GWO Controlled Water Heating, non-residential separately metered	First 400 kWh/WH Remaining kWh Meter Charge	$0.04906 $0.04906 $3.00	$0.02987 $0.02987	$0.00240 $0.00585	$0.00177 $0.00177	$0.00041 $0.00041	$0.00154 $0.00154	$0.04162 $0.04162
PG Primary General Service	All kWh 1st 100 KVA or less >100 KVA	$0.01554 $500.20 $5.00	$0.02987	$0.00383	$0.00000	$0.00041	$0.00154	$0.04162

NOTE: The letter H added to your rate code indicates electric heat. It does not affect rates.

Rate SYL – Security lighting service for street and area lighting

Type		Monthly Rate per Light						
Rate	Light Output (Lumens)	Est. kWh	Distribution Charges (per light)	Stranded Cost Charge	Regional Access Charge	Energy Assistance Surcharge	Restructuring Surcharge	Transition Default Power Service
Sodium								
Lt 08	4,000	25	$5.94	$0.75	$0.20	$0.01	$0.04	$1.04
Lt 09	5,800	34	$7.67	$1.02	$0.27	$0.01	$0.05	$1.42
Lt 10	9,500	49	$6.54	$1.46	$0.39	$0.02	$0.08	$2.04
Lt 11	16,000	73	$10.51	$2.18	$0.58	$0.03	$0.11	$3.04
Lt 12	30,000	112	$13.95	$3.35	$0.89	$0.05	$0.17	$4.66
Lt 13	50,000	172	$21.71	$5.14	$1.36	$0.07	$0.26	$7.16
Lt 14	130,000	399	$19.14	$11.92	$3.16	$0.16	$0.61	$16.61
Incandescent								
Lt 01	1,000	37	$4.21	$1.11	$0.29	$0.02	$0.06	$1.54
Lt 02	2,500	73	$7.13	$2.18	$0.58	$0.03	$0.11	$3.04
Mercury								
Lt 03	3,500	45	$5.55	$1.34	$0.36	$0.02	$0.07	$1.87
Lt 04	7,000	76	$7.88	$2.27	$0.60	$0.03	$0.12	$3.16
Lt 05	11,000	109	$11.16	$3.26	$0.86	$0.04	$0.17	$4.54
Lt 06	20,000	163	$18.18	$4.87	$1.29	$0.07	$0.25	$6.78
Fluorescent								
Lt 07	20,000	141	$14.88	$4.21	$1.12	$0.06	$0.22	$5.87

All rates do not include, but are subject to, a $.00055 per kwh New Hampshire consumption tax in accordance with State Statute.

Voting Sheets

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 1229

BILL TITLE: **requiring the completion of a rate proceeding prior to legislative approaval of a settlement agreement with PSNH**

DATE: March 21, 2000

LOB ROOM: 304

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep. Pitts

Seconded by Rep. MacGillivray

Vote: 14-2 (Please attach record of roll call vote.)

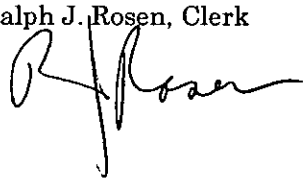
CONSENT CALENDAR VOTE: Regular

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Ralph J. Rosen, Clerk



(Split Report)

HOUSE COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

EXECUTIVE SESSION on HB 1229

BILL TITLE: **requiring the completion of a rate proceeding prior to legislative approaval of a settlement agreement with PSNH**

DATE: {Type DATE} 21 Mar

LOB ROOM: {Type ROOM NO.} 304

Maj. Block
Bradley

Amendments:

Sponsor: Rep. OLS Document #: Min - Gilmore

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep. ~~Manfredi~~ Pitts

Seconded by Rep. ~~Pitts~~ MacGillivray

Vote: (Please attach record of roll call vote.)

14-2

CONSENT CALENDAR VOTE: {Type VOTE} NO

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Ralph J. Rosen, Clerk

OFFICE OF THE HOUSE CLERK

2000 SESSION

SCIENCE, TECHNOLOGY AND ENERGY

Bill #: 1229 **Title:** _____

PH Date: ___/___/___ **Exec Session Date:** 21 / Mar / 2000

Motion: ~~OTP~~ Interim Study , **Amendment #:** _____

MEMBER		YEAS	NAYS
Bradley, Jeb E, Chairman	✓		
Guay, Lawrence J, V Chairman	✓		
Rosen, Ralph J, Clerk	✓		
Ham, Bonnie D			
Howard, Godfrey G	✓		
Thomas, John H	✓		
White, Donald B		✓	
Maxfield, Roy D	✓		
Tufts, J Arthur			
Arnold, Thomas I	✓		
Eaton, Stephanie			
Varrell, Thomas A			
Grant, Kenneth R	✓		
MacGillivray, Jeffrey C	✓		
Norelli, Terie T	✓		
Lynde, Harold V			
Pitts, Jacqueline A	✓		
Kaen, Naida L	✓		
Gilmore, Gary R		✓	
Bergeron, Lucien G	✓		
Densmore, Jessica E	✓		
Moriarty, Mary M			

14 - 2

TOTAL VOTE:

Printed: 12/30/1999

Committee Report

MAJORITY
COMMITTEE REPORT

COMMITTEE: **Science, Technology and Energy**

BILL NUMBER: **HB 1229**

TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

DATE: March 21, 2000 CONSENT CALENDAR YES ☐ NO ☒

☐ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

☐ RE-REFER

☒ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

This bill would require that the Public Utilities Commission (PUC) complete a traditional rate case for Public Service of New Hampshire prior to legislative authorization of the proposed Settlement with PSNH. Per the proposed legislation, a completed rate case would provide a "benchmark comparison" with the Settlement. The majority of the STE Committee is very sympathetic to the goal of the sponsor. This is why the majority will propose that the bill be laid upon the table pending a final order by the PUC on an expected outcome of a rate case. The majority believes this is the best way for the House to retain full control over this critical issue affecting the proposed PSNH Settlement. According to Chapter 289, enacted in July 1999, the PUC is already charged with comparing or benchmarking the projected electric rates of the Settlement with electric rates that would be expected under a traditional rate case. While comparing the expected electric rates of the Settlement to an expected rate case outcome is not the same as completing the rate case, the process is similar. Rate case related testimony by three different witnesses has been submitted to the PUC. These three witnesses project entirely different results were the PUC to complete a rate case for PSNH. One witness, a proponent of the Settlement, projects a rate case would yield rate decreases of 3.5% A second witness, representing PUC staff, has testified a rate case could yield rate reductions of 7.5% to 12% with a 10% rate reduction likely. Lastly, the Office of Consumer Advocate has projected that a rate case could reduce electric rates 11-16%. Additionally the consumer advocate testified that rate reduction could exceed 25% when refunds from past over charges are factored in. With such a wide disparity of views being submitted as testimony to the PUC, the majority of the STE Committee believes it is prudent to lay this bill on the table while awaiting the actual final orders of the PUC comparing the electric rates of the Settlement to a realistic outcome of a rate case. If the PUC rules that a completed rate case is likely to produce customers benefits as great or better than the Settlement, the STE Committee is very likely to request that the House remove the bill

from the table and pass it immediately! It is expected that the PUC orders will be completed by early April with the benchmark comparison also required to be completed. The majority believes it is therefore prudent to await the PUC orders before taking further action when all the facts are known. Laying the bill on the table leaves the House with all its options and time enough to act.

Vote 14-2.

Rep. Jeb E. Bradley
FOR THE MAJORITY

Original: House Clerk
cc: Committee Bill file

Science, Technology and Energy

HB 1229, requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH. REFER TO COMMITTEE FOR INTERIM STUDY

Rep. Jeb E. Bradley for Science, Technology and Energy: This bill would require that the Public Utilities Commission (PUC) complete a traditional rate case for Public Service of New Hampshire prior to legislative authorization of the proposed Settlement with PSNH. Per the proposed legislation, a completed rate case would provide a "benchmark comparison" with the Settlement. The majority of the STE Committee is very sympathetic to the goal of the sponsor. This is why the majority will propose that the bill be laid upon the table pending a final order by the PUC on an expected outcome of a rate case. The majority believes this is the best way for the House to retain full control over this critical issue affecting the proposed PSNH Settlement. According to Chapter 289, enacted in July 1999, the PUC is already charged with comparing or benchmarking the projected electric rates of the Settlement with electric rates that would be expected under a traditional rate case. While comparing the expected electric rates of the Settlement to an expected rate case outcome is not the same as completing the rate case, the process is similar. Rate case related testimony by three different witnesses has been submitted to the PUC. These three witnesses project entirely different results were the PUC to complete a rate case for PSNH. One witness, a proponent of the Settlement, projects a rate case would yield rate decreases of 3.5% A second witness, representing PUC staff, has testified a rate case could yield rate reductions of 7.5% to 12% with a 10% rate reduction likely. Lastly, the Office of Consumer Advocate has projected that a rate case could reduce electric rates 11-16%. Additionally the consumer advocate testified that rate reduction could exceed 25% when refunds from past over charges are factored in. With such a wide disparity of views being submitted as testimony to the PUC, the majority of the STE Committee believes it is prudent to lay this bill on the table while awaiting the actual final orders of the PUC comparing the electric rates of the Settlement to a realistic outcome of a rate case. If the PUC rules that a completed rate case is likely to produce customers benefits as great or better than the Settlement, the STE Committee is very likely to request that the House remove the bill from the table and pass it immediately! It is expected that the PUC orders will be completed by early April with the benchmark comparison also required to be completed. The majority believes it is therefore prudent to await the PUC orders before taking further action when all the facts are known. Laying the bill on the table leaves the House with all its options and time enough to act. Vote 14-2.

MINORITY
COMMITTEE REPORT

COMMITTEE: **Science, Technology and Energy**

BILL NUMBER: **HB 1229**

TITLE: requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH.

DATE: March 21, 2000 CONSENT CALENDAR YES ☐ NO ☒

☒ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

☐ RE-REFER

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

Ratemaking has always been and likely will remain the responsibility of individual states. By the ratemaking process utilities are guaranteed a fair return and ratepayers a fair rate. Under the Northeast Utilities (NU) Agreement, New Hampshire was to return to traditional ratemaking in the summer of 1997. New Hampshire last had a ratemaking procedure in the late 1980's. Since then it has been governed by the annual increases in the 1990's dictated by the NU Rate Agreement. As a result New Hampshire has the highest rates in the nation. In the proposed settlement the majority of the committee is seemingly placing faith in the Public Utilities "benchmarking" of what a rate case result would be. "Benchmarks" have no validity in law or ratemaking. Benchmarks are just the commission's best guess of what a rate case result might be were a rate case held. The minority believes that New Hampshire ratepayers deserve a true, honest ratemaking process as a necessary first step. A rate case is relatively simple and quick especially as compared to the proposed settlement. Were a rate case initiated at the same time as this settlement it would likely have been resolved several months ago. The settlement still has no end in sight and like the NU Agreement, the settlement produces rates with no basis in ratemaking principles. Passage of this legislation at this time does not harm the legislature in the settlement process, indeed it could serve to strengthen the legislature's ability to negotiate a fair accord. By sending this legislation to interim study or tabling it jeopardizes the ability of this legislature to pass this simple and fair legislation.

Vote .

Rep. Gary R. Gilmore
FOR THE MINORITY

Original: House Clerk
cc: Committee Bill file

Science, Technology and Energy

HB 1229, requiring the completion of a rate proceeding prior to legislative approval of a settlement agreement with PSNH. OUGHT TO PASS

Rep. Gary R. Gilmore for Science, Technology and Energy: Ratemaking has always been and likely will remain the responsibility of individual states. By. the ratemaking process utilities are guaranteed a fair return and ratepayers a fair rate. Under the Northeast Utilities (NU) Agreement, New Hampshire was to return to traditional ratemaking in the summer of 1997. New Hampshire last had a ratemaking procedure in the late 1980's. Since then it has been governed by the annual increases in the 1990's dictated by the NU Rate Agreement. As a result New Hampshire has the highest rates in the nation. In the proposed settlement the majority of the committee is seemingly placing faith in the Public Utilities "benchmarking" of what a rate case result would be. "Benchmarks" have no validity in law or ratemaking. Benchmarks are just the commission's best guess of what a rate case result might be were a rate case held. The minority believes that New Hampshire ratepayers deserve a true, honest ratemaking process as a necessary first step. A rate case is relatively simple and quick especially as compared to the proposed settlement. Were a rate case initiated at the same time as this settlement it would likely have been resolved several months ago. The settlement still has no end in sight and like the NU Agreement, the settlement produces rates with no basis in ratemaking principles. Passage of this legislation at this time does not harm the legislature in the settlement process, indeed it could serve to strengthen the legislature's ability to negotiate a fair accord. By sending this legislation to interim study or tabling it jeopardizes the ability of this legislature to pass this simple and fair legislation.