

Residential Ratepayers Advisory Board Meeting Minutes

January 8, 2007 meeting

The Residential Ratepayers Advisory Board (Board) met on January 8, 2007 in Hearing Room A at the PUC.

Present for the Board:

Lawrence Kelly, Chair
Otis Perry, Vice Chair
Kenneth Mailloux
Richard Russman
Nathan Cass

Present for the OCA:

Meredith Hatfield
Kenneth Traum
Rorie Hollenberg
Steve Merrill
Christina Martin

Guests

Representative Naida Kaen, Chair of the House Science, Technology and Energy Committee
Joanne Morin, DES Air Resources
Bob Scott, DES Air Resources
Commissioner Clifton Below, PUC
Donald Kreis, Esq., PUC General Counsel
Jim Rubens, Union of Concerned Scientists
Terry Large, PSNH

Mr. Kelly opened the meeting at 2:06 PM.

1. Minutes

Mr. Mailloux moved to approve the minutes of the November 6th meeting. Mr. Russman seconded, and the motion was approved unanimously.

2. Updates

- a. **2007 Legislation** – Ms. Hatfield provided a 2007 legislative handout to Board members listing legislative service requests (LSR) of interest to the OCA. Included among them is a bill regarding cell phone consumer protection, which the AARP is working on with Rep. McLeod. Mr. Traum reminded the Board that if there are any

bills that they would like the OCA to follow, please let us know. Updates on legislation will be provided at each meeting during the session.

- b. OCA '08-'09 Budget Request** – Ms. Hatfield reported that the revised agency budget was presented to the Governor's Budget Director and she seemed supportive of our changes in response to the Governor's recent guidance. Ms. Hatfield explained that a large portion of our budget increase is due to OIT costs, most of which we cannot control or decrease. Mr. Kelly reiterated to the OCA that if Board members can be of assistance please let the Board know.

4. Presentation 2007 Renewable Portfolio Standard (RPS)bill

Before the presentations began, Ms. Hatfield provided a handout which provided an overview of RPS policies and issues for the OCA to consider. Ms. Hatfield pointed out that under the current bill, the PUC would be charged with significant increased duties and would require new resources to fulfill them. Similarly, an RPS could also impact the workload of the OCA.

Joanne Morin, DES – provided handouts (attached)

Ms. Morin gave an overview of how an RPS works within the regional electric system, and explained the results of the UNH study which was based on the bill at the end of the 2006 legislative session. Ms. Morin then provided a brief description of the bill in its current form.

Commissioner Clifton Below, PUC

Commissioner Below spoke about the potential inclusion of language allowing utilities to enter into long term contracts to meet RPS requirements, and his belief that they could be one approach to minimizing costs to consumers. He acknowledged that the OCA would raise issues regarding potential stranded costs from long term contracts, and agreed that the issue would need to be addressed in the bill.

Jim Rubens, Union of Concerned Scientists – provided handouts

Mr. Rubens expressed the support of an RPS by the Union of Concerned Scientists (UCS) due to the environmental, economic, and fuel diversity benefits of an RPS. He also discussed the connection between climate change and renewable energy. Lastly, he said that UCS will be working on the bill to advocate higher renewable requirements and a quicker timeline for implementation.

Terry Large, PSNH

Mr. Large described PSNH's support for an RPS, including the company's support for new generation, and the realization that the inclusion of existing plants is likely in a New Hampshire RPS. Mr. Large also briefly discussed the Schiller Northern Power Project conversion from coal to wood, and the fact that it was financed in part through the Massachusetts RPS policy using that state's Renewable Energy Credits. Mr. Large also said that there will likely be legislative activity on the issue of PSNH having authority to

build new generation.

5. OCA Activity Update:

The Board briefly reviewed the Activity Update.

6. Next Meeting

The next Board meeting was scheduled for Monday, February 5th, at 2:00, at the OCA's office.

Mr. Mailloux moved to adjourn the meeting. Mr. Russman seconded, and the motion was approved unanimously. The meeting adjourned at 4:10 PM.