

OCA Residential Ratepayers Advisory Board
June 15, 2009

Present for the Board were:

Lawrence Kelly, Chairman
Otis Perry, Vice Chairman
Ken Mailloux
Claira Monier
Louis Pare
Rick Russman
Dwayne Wrightsman

Present for the OCA were:

Meredith A. Hatfield
Kenneth Traum
Rorie E.P. Hollenberg
Stephen R. Eckberg
Christina Martin

Guests:

Heidi Kroll, Gallagher, Callaghan & Gartrell
Kathleen Lewis, PSNH
Joanne Morin, DES

Mr. Kelly declared a quorum and the meeting began 2:00 pm.

1. Review and Approve Minutes

Mr. Kelly asked the board if any one had any changes or comments regarding the February 2, 2009 meeting minutes. Hearing none, Mr. Mailloux moved and Ms. Monier seconded that the February minutes be approved. The Board voted unanimously to approve the minutes. Mr. Kelly then asked the board if any one had any changes or comments regarding the April 6, 2009 meeting minutes. Mr. Perry moved approval of the April minutes and Ms. Monier seconded.

Mr. Russman commented that he would like the minutes of today's meeting to reflect his views on the discussion at the April meeting on the Consumer Advocate's role in the Merrimack power plant scrubber case. He stated that he believes that the role of the Consumer Advocate as an attorney for ratepayers is to fight to protect ratepayers' interests, and to do so vigorously. He noted that the Office would be remiss if they didn't use every opportunity to do that. He said the OCA is not here to be nice to any utility, big or small, and that we must take all steps ethically at our disposal in order to represent customers. Mr. Kelly stated that he agreed, and that we must be objective in how we deal with different parties, but that we must take positions on behalf of ratepayers. He stated that his understanding was that the concerns discussed at the April meeting did not relate to whether the OCA was objective, but instead related to inaccuracies about the OCA's work on the scrubber legislation. Mr. Kelly stated that he had spoken with representatives of PSNH, and that any concerns were based on confusion and rumors, and that the company understands that the OCA's job is to advocate for consumers. Mr. Mailloux added

that he agreed with Mr. Russman, as the very name of the agency suggests that we are charged with advocating for the interests of consumers.

Ms. Monier asked about the PUC's investigation into the utilities' response to ice storm. Ms. Hatfield stated that our understanding is that the PUC intends to finish its investigation by issuing a report in September. The report may recommend opening a docket, or it may recommend specific changes to policies or procedures. Ms. Hatfield also told the Board that she had seen a recent story on the Massachusetts Attorney General's office (which houses the Ratepayer Advocate) had requested that the Mass. PUC fine Unutil approximately \$5 million for problems in the Fitchburg area during and after the storm. She told the Board that she would keep members informed as the storm-related work at the PUC progresses.

The Board then voted unanimously to approve the April minutes.

2. Presentation on NH Climate Change Action Plan

Joanne Morin, Air Resources Division, NH Department of Environmental Services (DES)

Ms. Hatfield introduced Ms. Morin, who is with the DES Air Resources Division, and has been lead staff on the agency's climate change work. As the Board knows, the OCA had a seat on the Climate Change Task Force, which worked to develop the Action Plan. Ms. Morin is with us today to review the recommendations in the Action Plan, especially with respect to energy.

Ms. Morin's PowerPoint presentation is attached. She briefly reviewed the science of climate change, impacts on New Hampshire, the Task Force process, and the recommendations in the plan. The Recommendations fall into five main areas:

- Adaptation
- Agriculture, Forestry and Waste
- Electric Generation
- Residential, Commercial and Industrial Energy Use
- Transportation and Land Use

After her presentation Ms. Morin took questions from the Board. Mr. Pare asked about how changing weather patterns will impact summer heat waves and the opportunity to use wind energy as a resource. Board members also asked Ms. Morin how one can sift through all of the information that one hears on climate change to determine what is correct. Ms. Morin recommended a website, www.realclimate.org, which provides climate science information on climate change. One question related to funding for implementing the Action Plan. Ms. Morin said that funding will be a challenge, and that stimulus money could help but is not sufficient. She agreed with Mr. Perry that much of the change that needs to be implemented must happen at the small scale, and on the local level, including through local energy committees. Mr. Perry said that people want to take action, they simply need clear information about what they can do. Ms. Morin agreed and said that public education, outreach, and access to programs are a key component of the implementation of the Plan. Mr. Wrightsman asked how the Action Plan will be integrated into regional plans, and how it will work with the plans of neighboring states. Ms. Morin said that regional coordination and cooperation is very important, especially on issues such as renewable energy and energy efficiency. Mr. Wrightsman also asked whether the Task Force had discussed the issue of reducing or enforcing speed limits. Ms. Hatfield said that the

issue was discussed and that the Plan recommends enforcing the current speed limit, though there is recognition that reducing speeds is a simple and easy way to save fuel and reduce emissions. However, it unfortunately is a very political issue in the state. Ms. Monier asked whether the Plan discusses the gas tax. Ms. Morin said that it does identify the prohibition on the use of the gas for non-highway projects as a significant barrier to alternative transportation, but it is another politically sensitive issue.

The full Climate Change Action Plan is available at http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action_plan/nh_climate_action_plan.htm.

3. Activity Update

The Board then reviewed the Activity Update and discussed several current dockets. Ms. Hatfield provided an update on FairPoint and noted that the company has a large interest payment due on June 30th, and also has told the Commission that it plans to get its customer service and billing problems resolved by then. Ms. Monier stated that because approximately 25% of New Hampshire households are a single person, there is a need to maintain land lines. The Board also discussed PSNH's pending request for financing, and Ms. Hatfield explained that the parties are waiting for a decision from the Commission on the scope of the docket. Ms. Hatfield also discussed DE 08-135 regarding the costs of line extensions. PSNH, the OCA and Staff agreed that the policy should be reviewed to eliminate subsidies of new line extensions by existing customers, but issues have been raised about the impacts of ending the subsidies on homebuilders and affordable housing developers.

Mr. Perry stated that as a follow up to his work on the Tidal Commission, he recently learned that UNH has applied for a permit to conduct a demonstration project on tidal power in the Piscataqua River.

4. Activity Update

The Board set its next meetings for August 10, October 5, and December 14.

Mr. Perry moved to adjourn the meeting at 3:55. Ms. Monier seconded and the motion passed unanimously.