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From: Beck, Erik
Sent: Thur 8/29/2013 12:21:48 PM
Subject: Scrubbers at Bow

FYI

News Headline: Former PSNH chief must answer questions on Bow scrubber |

Outlet Full Name: Union Leader - Online
News Text: CONCORD — Former PSNH President Gary Long has been ordered by the Public Utilities Commission to submit to a deposition, as the regulatory agency tries to sort out whether PSNH acted prudently and in the interest of ratepayers when it proceeded with the costly installation of pollution control systems on the Merrimack Station coal-fired plant in Bow.

In an order issued Tuesday, the PUC overruled PSNH attorneys who opposed the deposition. The state's consumer advocate along with attorneys from TransCanada energy, the Sierra Club and the Conservation Law Foundation demonstrated that Long, as the president of PSNH, was "directly and significantly involved" in obtaining internal approval for the pollution control project, according to the PUC order.

Long will be deposed at the offices of Orr and Reno in Concord on Sept. 9. The order notes that PSNH refused to voluntarily comply with requests to "produce Mr. Long for deposition," and so a subpoena will be issued.

Long stepped down as president of Public Service of New Hampshire, effective Aug. 1, to focus on the Northern Pass hydroelectric project as an executive of Northeast Utilities, chief developer of the project in cooperation with PSNH and Hydro-Quebec. He has led the state's largest utility for the past 13 years and has been with the company for nearly four decades.

His testimony is being sought in connection with a PUC investigation that's been under way since November 2011 into the mercury scrubber costs and cost recovery. If the PUC determines that PSNH was not prudent in moving forward with the pollution control systems, the company's ability to recover costs from ratepayers would be affected.

The key issues, according to the PUC ruling, are "the prudence of proceeding with the project, the prudence of resisting efforts to study the project once the costs had almost doubled, whether PSNH prudently managed construction of the scrubber, and the prudence of PSNH's management decisions not to divest or retire Merrimack Station."

When the state Legislature enacted a law requiring PSNH to install pollution control technology to reduce mercury emissions at Merrimack Station in 2006, the cost was estimated at $250 million. The project's actual cost came in at $430 million.

PSNH attorneys had opposed the motion to subpoena Long, arguing that it was untimely, inconsistent with commission policy and seeks information not relevant to the proceeding.

A commission staff member will attend the deposition to rule on any objections or requests to compel an answer.

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