

Eversource Announces Sale of Power Plants FAQs:

Why are Eversource's power generation facilities being sold?

New Hampshire's Electric Restructuring Law contemplated the sale of all utility-owned generation in order to pursue a competitive electric energy marketplace. The Legislature halted that process prior to Eversource selling its generation; however, in 2014, the Legislature renewed its desire for the sale of Eversource's generating stations. In 2015, the Legislature enacted additional implementing legislation. Thus, the sale of Eversource's generating plants implements a state public policy decision.

An agreement between Eversource, key state leaders, and other interested parties approved last year by the NH Public Utilities Commission, called for Eversource to sell its (PSNH) power-generating facilities in New Hampshire. Eversource is the only electric utility in New England to still own coal, wood, oil and gas generation plants. Similar utility-owned plants throughout New England, including nuclear plants, were sold approximately 15 years ago.

We anticipate significant savings for our customers because our rates going forward will not include ongoing costs of owning and operating these power generation plants. More information on the agreement can be found at the NH Public Utilities Commission website: www.puc.state.nh.gov ("Eversource Energy Auction of Electric Generation Facilities")

Who was the winning bidder?

There were two winning bidders selected – one for the Company's fossil fuel plants (Schiller, Newington and Merrimack, and combustion turbines at Lost Nation in Groveton and White Lake in Tamworth) and one for the hydro stations:

All fossil fuel facilities plus two remote combustion turbine peaking units to *Granite Shore Power LLC*, a newly-formed 50/50 partnership between [Atlas Holdings](#) of Greenwich, CT, and [Castleton Commodities International \(CCI\)](#) of Stamford, CT.

- Atlas and its affiliates own eighteen companies. These companies collectively employ approximately 21,000 associates and operate from more than 220 facilities across the globe. Atlas owns co-generation units at several of its industrial operations, as well as Greenidge Generation, a 106 MW power generation facility that Atlas converted from coal to natural gas and biomass in 2016.
- CCI is a global commodity merchant whose activities include the ownership and operations of 20 power generation assets comprising approximately 2,000 MWs across the U.S. and Europe.

All nine hydroelectric facilities to [Hull Street Energy, LLC](#) and affiliates ("Hull Street Energy") of Bethesda, MD, which invests in middle market power companies that are strategically positioned for growth. The Hull Street Energy team has an extensive track record of owning and operating hydroelectric facilities in North America. The firm recently announced the acquisition of five western Massachusetts hydroelectric generation facilities (Nautilus Hydro) formerly owned by Northeast Utilities.

How were the winning bidders determined?

The NH Public Utilities Commission (NHPUC) chose financial services company J.P. Morgan to conduct the auction process, which took place throughout much of 2017. All interested bidders were required to go through a pre-qualification process specified by J. P. Morgan, which conducted a rigorous auction process in accordance with the NHPUC's requirements. All bidders conducted detailed due diligence reviews. All final bids were evaluated by J. P. Morgan and Eversource, with oversight by Staff from the NH Public Utilities Commission, with the goal of maximizing the total value of the transaction for customers.

If the plants are being sold to someone else, who will supply my energy?

For over 15 years, electricity customers in New Hampshire have had the ability to choose a competitive power supplier or remain on a utility's energy service. The sale of Eversource's generation facilities will not change this. After the sale of the generation facilities is finalized, Eversource will purchase all the power we need for our customers from the competitive marketplace. This is the same practice followed by every other New Hampshire electric utility in supplying energy to their customers. It is expected that the change to a market-based energy service product by Eversource will significantly reduce that rate going forward.

What will the sale of Eversource's generation facilities mean for rates?

We anticipate significant savings overall for our customers once the sales have been approved by the NH Public Utilities Commission because our rates going forward will not include ongoing costs of owning and operating these power generation plants. Eversource's rates will continue to be regulated by the NH Public Utilities Commission. Eversource will continue to provide energy service for Eversource's electric customers, but as always, customers can continue to choose an energy supplier other than Eversource.

What will the sale mean for Eversource customers who don't purchase my energy from Eversource?

The agreement with state government leaders was negotiated and structured to maximize savings for all customers. That means the recovery of stranded costs will be spread out among all customers who receive a bill from Eversource, whether they choose us as their energy supplier or only receive delivery service from us. As part of the implementation of the state's public policy leading to the sale of our generating stations, the Legislature has approved the use of low cost financing to recover any remaining generation-related costs. The payments for these bonds will be spread out across all Eversource customers over a 12-year period.

Are the new owners required to keep the plants running for a certain amount of time?

Yes. The buyers must keep each station operating for least 18 months after the date of sale.

What will this mean to the communities in which these facilities are located?

Eversource has been communicating with local officials throughout the entire divestiture process, and our Community Relations specialists and legal team will be meeting with key leaders to walk through the details of the sale and transfer of ownership of generation properties.

Will current Generation employees be able to keep their jobs?

We are hopeful that most will, but that decision will be up to the new owners. In accordance with New Hampshire law (RSA 369-B:3-b), a comprehensive employee benefits package has been established by Eversource and the International Brotherhood of Electrical Workers (IBEW), which includes protections for all Eversource employees who are affected by the sale of our generating plants. Any affected employee who does not retain employment as a result of the sale and was not offered a position by the new owner will be entitled to severance benefits.