

Power line to Quebec gets OK from regulators

BY DAVE SOLOMON
THE NEW HAMPSHIRE UNION
LEADER

A proposed transmission line designed to bring hydroelectricity from Quebec into the New England grid through Vermont cleared its last major hurdle last week, as the New England Clean Power Link was approved by the Vermont Public Service Board.

The federal Department of Energy approved the project in October.

Opponents of the Northern Pass hydroelectric project in New Hampshire have argued that the Vermont project, which now has state and federal permits, makes Northern Pass obsolete.

Northern Pass representatives say the region could use both projects, but that Northern Pass is the only one with a confirmed source of power (HydroQuebec), and an approval to interconnect to the New England Grid.

The Vermont project developer, TDI New England, is poised to begin construction later this year.

TDI claims to have seven electricity suppliers from Canada and the United States who have “expressed an interest” in using the 1,000-megawatt line, but cannot identify them at this time.

“We are currently in a FERC-mandated open solicitation process, which has confidentiality provisions, so we can’t identify

any potential suppliers at this moment,” said TDI spokesperson Andrew Rush.

Northern Pass opponents will be watching closely to see whether HydroQuebec eventually signs a contract to use the Clean Power Link, since such a deal could have significant implications for the New Hampshire project.

Northern Pass has been in the works since 2010, underwent several route changes, does not have a final environmental impact statement from the DOE and is just beginning its state review process.

New York-based TDI, a subsidiary of the Blackstone Investment Group, first announced plans for the Clean Power Link in late 2013,

applied to the Department of Energy in 2014 and in December applied for its state permits.

The NECPL will originate at the U.S.-Canadian border and travel approximately 97 miles underwater down Lake Champlain to Benson, Vermont, and then be buried along town and state roads and railroad rights-of-way or on land owned by TDI New England for approximately 57 miles to a new converter station to be built in Ludlow, Vermont.

In its order granting state approval, the Vermont Public Service board noted, “the installation of the line underground in existing public rights-of-way and underwater in Lake Champlain will help reduce the overall visual im-

pacts of the project.”

It went on to say that construction of the project will not be without impacts.

“A large, above-ground converter station will be built to convert direct current power to alternating current so the project can interconnect with Vermont’s transmission system.

“Additionally, travelers on Vermont highways where the line will be installed underground will likely experience some measure of inconvenience during project construction. However, we conclude that the project’s benefits are significant enough to outweigh any potential negative effects, thus promoting the general good of the state.”

US justices prepared to deliver blow to unions

BY LAWRENCE HURLEY
REUTERS

WASHINGTON — Conservative U.S. Supreme Court justices on Monday voiced support for a legal challenge that could erode organized labor’s clout by depriving public-employee unions of millions of dollars in fees that many state laws force nonunion members to pay.

Justices John Roberts, Anthony Kennedy and Antonin Scalia indicated during an 80-minute oral argument that they could join the nine-member court’s two other conservatives to overturn a 1977 high court precedent allowing the fees, a vital source of funds for the unions.

Legal experts had thought Scalia might be sympathetic to the union position due to prior votes and statements on the subject, but his questions signaled support for the 10 nonunion California public school teachers who challenged the fees.

Conservatives have long sought to curb the influence of unions representing public employees such as police, firefighters and

teachers that often support the Democratic Party and liberal causes.

A ruling allowing nonunion workers to stop paying “agency fees” equivalent to union dues, currently mandatory under laws in about half the 50 states, including California, could strip public sector unions of millions of dollars, reducing their income and political power.

About 5 million public sector employees are subject to union contracts that include mandatory fee provisions, according to the National Right to Work Legal Defense Foundation, which backs the nonunion teachers.

Unions worry that a ruling throwing out the fees would give workers less incentive to join because they would get all the benefits of collective bargaining without having to pay for it.

Chief Justice Roberts and Kennedy appeared unsympathetic to the California Teachers Association’s argument that nonmembers would become “free-riders” if not required to pay the fees to fund collective bargaining activities.

“The union basically is making these teachers ‘compelled riders’ for issues on which they strongly disagree,” Kennedy said.

Roberts said the majority of the California teachers union’s members appeared to back collective bargaining, making the “free-riders” concern “really insignificant.”

The teachers who filed the lawsuit in 2013 are asking the justices to overturn the 1977 Abood v. Detroit Board of Education Supreme Court ruling that allowed these unions to collect fees from workers who are not members as long as the money is not spent on political activities.

California teachers generally pay around \$1,000 annually in union dues. Nonmembers can opt out of paying for union political activities, which means they pay around \$600 a year in mandatory fees covering collective bargaining.

Several justices hinted at the difficulties of separating out political issues in a way that would not infringe upon the free-speech rights under the U.S. Constitution of nonmembers who disagree with the union.

“The problem is that everything that is collectively bargained with the government is within the political sphere, almost by definition,” Scalia said.

Roberts and Scalia seemed skeptical that unions would collapse without fees from nonunion employees, in part because such fees are already banned in 25 states that have what is known as “right-to-work” laws. In those states, unions still represent workers but membership rates are lower.

Federal employee unions also cannot collect such fees.

Even when the union’s attorney, David Frederick, sought to explain routine issues on which the union negotiates such as teacher lunch breaks, he faced hostile questions.

Kennedy said if the union believes it is doing a sound job negotiating over such daily concerns, “the union can convince people to join.”

The court’s liberals defended the current practice and said justices usually think twice before overturning long-standing precedents.

Summit

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release that experience in the state and changing market conditions led to the cuts.

The natural gas utility expanded in the Kennebec Valley and three southern Maine towns as the price of crude oil plummeted and dramatically lowered the cost of heating oil, propane and kerosene.

Forecasts expect the price of oil to remain low for the next year, but commodity prices depend on many variables that could affect the relative price of heating fuels and natural gas, now abundant domestically through extraction by hydraulic fracturing.

Adams said the company would continue to expand its network this year, with a construction plan that calls for 90,000 more feet of distribution network pipe.

The company last year scaled back some of its expansion plans in Cumberland, Falmouth and Yarmouth, according to The Forecaster, which town officials said was partly the result of the dramatic drop in oil prices.

Dow, S&P 500 end up in late turnaround

BY CAROLINE VALETTEKITCH
REUTERS

The Dow and S&P 500 ended a volatile session up slightly on Monday in a late turnaround, but a drop in biotech and energy shares kept a lid on the market.

The start of earnings season added to investor nervousness. The Nasdaq ended lower, led by a drop in biotech company Celgene, which fell 5.5 percent to \$103.03 following a disappointing profit forecast.

The Nasdaq Biotech index fell 3.4 percent in its eighth straight down day.

Stocks had their worst five-day start to a year ever following mounting investor concerns about declining oil prices and a China-led slowdown in global growth.

“The fact that we didn’t see kind of another washout today kind of emboldened some of investors to think that perhaps, at least on a short-term basis, maybe it was time for the market to bounce a little bit,” said Chuck Carlson, chief executive officer at Horizon Investment Services in Hammond, Indiana.

Apple was the biggest positive for the S&P 500 and Nasdaq. It rose 1.6 percent to \$98.53 after reports that its music streaming service hit the 10 million-subscriber mark in six months.

The Dow Jones industrial average was up 52.12 points, or 0.32 percent, to 16,398.57, the S&P 500 gained 1.64 points, or 0.09 percent, to 1,923.67 and the Nasdaq Composite dropped 5.64 points, or 0.12 percent, to 4,637.99.

Stocks turned up late in the session, and the CBOE Volatility Index — Wall Street’s fear gauge — finished down 10 percent.

“The market is very stretched to the downside. Being oversold doesn’t mean it’s over, but nonetheless these things only go so far before you get at least some kind of relief rally,” said Frank Gretz, market analyst and technician for Wellington Shields & Co. in New York.

The S&P energy sector dropped 2.1 percent following another sharp drop in oil prices, while the health sector declined 1.2 percent. Among materials stocks, Freeport-McMoRan tumbled 20.3 percent to \$43.1.

Shares of McKesson dropped 10.3 percent to \$163.55, also following a disappointing profit forecast.

Investors are worried about a U.S. earnings recession, with fourth-quarter results forecast to show the second straight quarterly decline for S&P 500 earnings.

Consolidated Stocks							
	Close	Chg	Div		Close	Chg	Div
3M Co	140.46	-0.03	4.1	IntlBsch	23.93	+0.26	0.6
ABB Ltd	16.31	...		JPMorgCh	58.83	-0.09	1.8
AbtVie	53.88	-1.77	2.3	Kohls	50.08	+2.20	1.8
AbtLab	40.73	+0.06	1.0	LillyEli	80.27	-0.98	2.0
AEP	58.77	+0.51	2.2	Loews	35.85	-0.05	0.3
Aeropostl	0.25	+0.01		Lowes	72.68	+1.80	1.1
Aetna	105.32	-1.75	1.0	McDnlds	116.69	+1.21	3.6
AFLAC	57.08	+0.37	1.6	Merck	51.25	+0.17	1.8
AK Steel	2.06	-0.27	0.0	MetLife	41.71	-0.32	1.5
ALCATEL LUCENT	4.06	+0.06		Microsoft	52.30	-0.03	1.4
Allergan	299.37	-0.09		Mondelez	41.68	+0.69	0.7
Allstate	58.02	-0.21	1.2	Monsanto	92.28	-0.51	2.2
Altria	59.46	+1.22	2.3	MorgStan	28.46	+0.08	0.6
AMViv	12.42	+0.26	0.5	NewellRub	39.35	-0.03	0.8
Anadarko	37.75	-2.81	1.1	NextEraEn	105.58	+0.41	3.1
Apache	35.06	-1.59	1.0	NipponTt	40.06	+0.04	0.8
ApidMatl	16.68	-0.11	0.4	NokiaCp	7.42	+0.09	0.2
Apple	98.53	+1.57	2.1	NorthropG	188.11	+2.04	3.2
AT&T Inc	35.95	+0.41	1.9	OneokPsr	24.01	-1.48	3.2
Autodesk	55.23	+0.17	0.0	Oracle	34.94	+0.29	0.6
AviatTch	7.12	-0.28		Orange	16.51	+0.04	0.7
BcoSamnSA	4.43	+0.14	0.3	Penn Gmgg	15.49	+0.32	
BksNYMell	29.43	+0.48	0.9	Penney	7.30	+0.13	0.0
BkNYMell	37.42	+0.27	0.7	PepcoHold	26.27	+0.52	1.1
BkOfAm	15.31	+0.11	0.2	PepsiCo	97.44	+0.23	2.8
Boeing	130.21	+0.22	4.4	Pfizer	31.07	+0.07	1.2
BP PLC	28.84	-0.07	2.4	PhilipMor	89.17	+2.46	4.1
BridfAs	28.81	+0.40	0.5	PPL	33.89	+0.50	1.5
BrkMySq	62.98	-0.65	1.5	Praxair	98.44	+0.59	2.9
Caterpillar	61.47	-1.82	3.1	ProctGam	76.67	+0.70	2.7
CBS B	46.78	+0.32	0.6	Prudential	39.92	+0.17	1.2
CenterPnt	17.60	-0.21	1.0	QstDiag	67.94	+0.52	1.5
Chevron	80.77	-1.36	4.3	Rayonier	20.40	-0.11	1.0
Citigroup	46.85	+0.72	0.2	Raytheon	123.53	+1.74	2.7
CocaCola	41.58	+0.07	1.3	ReynAmer	48.45	+1.33	1.4
Corning	17.31	+0.16	0.5	RylCarb	93.60	+1.82	1.5
Deere	74.15	+0.39	2.4	Schwab	28.74	-0.26	0.2
Disney	99.92	+0.67	1.4	SeahHlids	17.98	-0.05	0.0
DowChem	45.40	-0.88	1.8	Sherrin	241.97	+0.20	2.7
DukeEng	71.83	+0.79	3.3	SiderurNac	0.79	+0.02	0.1
DuPont	30.64	-0.09	1.9	Siemens	90.32	...	3.8
ExxonMbl	79.69	-1.00	2.9	SonyCp	23.36	+0.36	0.1
Facebook	93.51	+0.18		Starbucks	57.82	+1.19	0.8
FedExCp	132.97	-1.74	1.0	StwtsAirl	42.04	-0.17	0.3
FidNfin	32.31	-0.02	0.8	Symantec	20.36	-0.13	0.6
FidNatInfo	58.94	+0.81	1.0	Target	72.42	+1.04	2.2
FrontierCm	4.51	-0.16	0.4	Textron	38.89	-0.18	0.1
GenElec	28.58	+0.13	0.9	TimeWarn	183.30	+0.37	3.0
GlaosSKln	39.29	-0.13	2.4	Toyota	114.81	+1.75	3.6
GoldmanS	165.73	+1.79	2.6	Travelers	106.79	+0.80	2.4
Google	716.03	+1.56		UPS B	91.66	+0.27	2.9
Hershey	84.25	-0.67	2.3	ValeroE	69.07	+0.81	2.0
HewlettP	10.65	-0.07	0.5	Vodafone	32.15	-0.39	1.7
Hitachi	53.21	...	1.0	WalterEn	0.01	...	0.0
HomeDp	125.78	+1.88	2.4	Waste Mngt	52.86	+0.51	1.6
Honda	29.36	+0.47		WellsFargo	50.09	+0.53	1.5
IBM	133.23	+1.60	5.2	Yahoo	30.17	-0.46	
Intel	32.06	+0.55	1.0	Zimmer	99.80	-1.75	0.9

Indexes										
	52-Wk High	52-Wk Low	Close	Chg	Chg%	Yr	Mo	Qtr	1 Yr	Chg%
Dow Jones indus.	18351	15370	16398.57	+52.12	+0.32	▼	▼	▼	-7.55	
Dow Jones Transport	9215	6915	6914.56	-31.80	-0.46	▼	▼	▼	-21.94	
Dow Jones Utility	657	540	582.21	+3.39	+0.59	▲	▲	▲	-6.64	
Nasdaq composite	5232	4292	4637.99	-5.64	-0.12	▼	▼	▼	-1.40	
NYSE AMEX composite	2556	2024	2023.83	-3.53	-0.17	▼	▼	▼	-15.33	
NYSE composite	11255	9510	9527.66	-1.11	-0.01	▼	▼	▼	-11.05	
S&P 500	2135	1867	1923.67	+1.64	+0.09	▼	▼	▼	-5.92	
S&P Mid cap 400	1551	1304	1304.00	-4.48	-0.34	▼	▼	▼	-9.52	
Wilshire 5000	22537	19619	19848.27	-18.83	-0.09	▼	▼	▼	-7.67	
Russell 2000	1296	1042	1041.90	-4.31	-0.41	▼	▼	▼	-12.13	

Top Mutual Funds						
Last	Chg	1Yr Rtn	Fund	Last	Chg	1Yr Rtn
20.27	-0.05	-3.9	JPMORGAN			
63.91	-0.09	-1.8	Core Bond Sel	11.61	-0.01	+0.7
8.95	-0.03	-2.8	LAZARD			
92.66	+0.11	-0.3	Emg Mkt Eq Inst	12.42	-0.18	-25.4
28.52	-0.03	-6.1	LOOMIS SAYLES			
32.72	-0.11	-2.0	Bd Inst	12.65	-0.01	-8.4
13.91	-0.04	-4.3	OPPENHEIMER			
11.84	-0.04	-4.7	Dev Mkts A	27.79	-0.38	-19.9
14.33	-0.05	-5.5	PERMANENT			
26.21	-0.73	-0.7	Port Permanent	33.96	-0.15	-8.6
11.56	-0.01	+1.6	PIMCO			
45.06	-0.16	-5.0	All Asset Inst	9.98	unch.	-10.7
83.35	-0.15	-2.7	Comm RR Str Inst	6.02	-0.14	-27.0
19.46	-0.03	-2.7	High Yield Inst	8.20	-0.02	-2.2
67.61	+0.06	-4.9	Low Dur Inst	9.86	unch.	+0.5
11.06	-0.03	-0.3	Real Rtn Inst	10.56	unch.	-2.9
10.08	-0.03	-1.9	Tot Rtn Inst	10.04	-0.05	+0.1
10.27	-0.04	-0.4	Uncons Inst	10.21	-0.05	-2.6
JPMORGAN						
49.10	-0.01	-4.9	Cap S&P 500 Idx	29.72	+0.03	-4.9
T ROWE PRICE						
7.56	unch.	+3.6	BC Gro	67.04	-0.03	+2.8
2.01	unch.	-11.3	Cap App	24.16	-0.03	+1.5
			Eq Idx500	51.74	+0.04	+5.1
			Eq Inc	26.60	-0.04	-12.1
			Gro Stk	49.69	-0.07	+2.6
18.42	-0.8	+2.9	MC Gr	68.38	-0.39	-0.2
			New Inc	9.39	-0.02	+0.1
56.30	-0.04	-5.0	Ret 2020	18.89	-0.04	-8.0
14.01	-0.04	-6.2	Value	29.26	-0.03	-4.2