

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 22-039

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY**

Petition for Adjustment of Stranded Cost Recovery Charge

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On June 24, 2022, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition requesting that the Commission approve an adjustment to its stranded cost recovery charge (SCRC) for effect on August 1, 2022. In support of its petition, Eversource filed the direct testimony of Marisa B. Paruta, Eversource Energy Service Company's Director of Revenue Requirements for Connecticut and New Hampshire, and related attachments, including proposed revised tariffs. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2022/22-039.html.

I. BACKGROUND AND PROCEDURAL HISTORY

The SCRC is a non-bypassable charge and recovery mechanism established by the Restructuring Settlement Agreement dated August 2, 1999 in Docket No. DE 99-099 (Restructuring Agreement), which was revised and conformed in compliance with the Commission's Order No. 23,549 (September 8, 2000). Its original purpose was to recover a portion of Eversource's stranded costs, and other costs and expenses permitted by the Restructuring Agreement. Restructuring Agreement, Subsection V.B. These stranded costs were divided into three parts: Part 1 was the Rate Reduction

Bonds (RRB) charge; Part 2 consisted of ongoing stranded costs associated with restructuring; and Part 3 costs were the remaining non-securitized stranded costs. *Id.*

The original Part 1 and Part 3 stranded costs have been fully recovered. *Pub. Serv. Co. of N.H.*, Order No. 26,569, at 3 (January 25, 2022). In Docket No. DE 14-238, the Commission approved the 2015 Restructuring and Rate Stabilization Agreement, filed on June 10, 2015 and amended January 26, 2016, which allowed Eversource to recover stranded costs associated with Eversource's divestiture of its generation facilities as new Part 1 costs. *See* Order No. 26,569, at 3 (citing *Pub. Serv. Co. of N.H.*, Order No. 25,920 (July 1, 2016)). In addition, the 2015 Restructuring and Rate Stabilization Agreement provided that Eversource could recover, as Part 2 costs, ongoing independent power producer costs and power purchase agreement costs, such as Eversource's existing commitments to buy power from the Burgess BioPower facility in Berlin, New Hampshire and the Lempster Wind Power Project in Sullivan County, New Hampshire. *See* Subsections II and III.A.

Pursuant to the 2015 Restructuring and Rate Stabilization Agreement, the SCRC is allocated to each rate class by different percentages, and there is no uniform SCRC rate charged to all customers or a uniform SCRC rate for each class. Order No. 26,569 at 3-4. The agreement required Eversource to calculate Part 2 costs for prospective 6-month periods. 2015 Restructuring and Rate Stabilization Agreement, Subsection III.A.2.

Eversource also uses the SCRC to recover and refund a number of other costs and revenues. Excess Regional Greenhouse Gas Initiative auction proceeds are refunded to Eversource customers through the SCRC pursuant to RSA 125-O:23, II and Order No. 25,664, at 4-5 (May 9, 2014), issued in Docket No. DE 14-048. Eversource was authorized to recover the over-market costs of electric energy

purchased from Burgess BioPower facility for a three-year suspension period pursuant to the settlement agreement approved by the Commission in Order No. 26,333 (February 18, 2020), issued in Docket No. DE 19-142 in response to 2018 N.H. Laws, chapter 340.¹ In Docket No. DE 19-057, the Commission approved a settlement agreement permitting Eversource to recover certain environmental remediation costs through the SCRC. *Pub. Serv. Co. of N.H.*, Order No. 26,433 at 14, 22 (December 15, 2020). The Commission approved a settlement agreement in Docket No. DE 20-136 providing for an adder to the SCRC that would enable Eversource to recover net metering and group host costs. *Pub. Serv. Co. of N.H.*, Order No. 26,450, at 7-9 (January 29, 2021).

Eversource is currently billing residential customers an SCRC rate of \$0.453 cents per kilowatt-hour (kWh), approved by the Commission in Order No. 26,569 (January 25, 2022), issued in Docket No. DE 21-117. In this proceeding, Eversource has proposed a residential SCRC rate of \$0.268 cents per kWh, a reduction of \$0.185 cents per kWh.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether the categories of costs and revenues included in Eversource's proposed SCRC rates are consistent with the requirements of RSA 374-F:3, XII(d) and/or are appropriately included consistent with prior Commission orders; whether Eversource appropriately calculated the SCRC rates to reflect the actual and estimated costs and revenues that are appropriately included in the SCRC; whether the costs Eversource seeks to recover through the

¹ 2018 N.H. Laws, chapter 340 directed the Commission to suspend the operation of the cap on the cumulative reduction factor for three years. See Order No. 26,333, at 2. The Governor recently signed SB 271, "relative to the Burgess BioPower facility," requiring the Commission to amend certain orders to extend the suspension of the operation of the cap for an additional 1-year period. 2022 N.H. Laws, ch. 275:1.

proposed adjusted SCRC were prudently incurred; and whether the resulting rates are just and reasonable, as required by RSA 374:2, and RSA 378:5 and :7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than ten (10) days prior to the prehearing conference or hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374-F:3, XII(d), RSA 374:2, RSA 378:5 and :7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on July 20, 2022, at 9:00 a.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is,

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Eversource and any other parties on the service list, on or before July 12, 2022. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before July 19, 2022; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, Eversource shall notify all entities and individuals desiring to be heard at this hearing

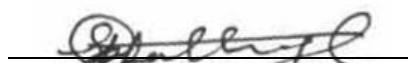
by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before July 11, 2022. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

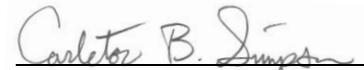
So ordered, this fifth day of July, 2022.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket# : 22-039

Printed: 7/5/2022

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