

STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire d/b/a Eversource Energy
2015 Least Cost Integrated Resource Plan

Docket No. DE 15-248

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE
ENERGY'S MOTION FOR WAIVER PURSUANT TO RSA 378:38-a**

Pursuant to New Hampshire Code of Administrative Rules Puc 203.07 and RSA 378:38-a, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “the Company”) hereby moves for a waiver of the filing requirements relating to the Company’s next Least Cost Integrated Resource Plan (“LCIRP”) in light of intervening circumstances. More particularly, Eversource seeks a waiver to avoid the waste of time and resources that would come from preparing and filing a new LCIRP in 2019 as such filing has been made effectively obsolete by the prospect of a new filing referred to as the Integrated Distribution Plan (“IDP”). In support of this motion, Eversource states as follows:

1. On February 12, 2019, the Commission Staff submitted its long-awaited recommendation on grid modernization in Docket No. IR 15-296. That recommendation summarized an extensive review by the Staff of issues relating to grid modernization following on earlier work that had been undertaken by a large stakeholder group, and which had resulted in a report from the Staff’s consultant, Raab Associates, Ltd., on March 20, 2017. Among other things, the Staff’s recommendation proposed that the LCIRP be replaced by a new submission, an IDP. This new IDP, the form of which is not yet settled, would have elements of the old

LCIRP as well as new requirements. In recognition of the possibility of requiring this new submission for Commission review and approval, the Staff recommended the following:

The IDP will require approximately 12 months to develop, using the comprehensive LCIRP template with the incorporation of the grid modernization initiatives plus an engaged stakeholder process. Eversource and Liberty Utilities are required to file their next LCIRP to the Commission by August 25, 2019, and July 1, 2019, respectively, and Unitil is required to file its LCIRP by January 9, 2020. Staff recommends that, if necessary, the utilities request that the LCIRP filing requirement be waived by the Commission, pursuant to RSA 378:38-a, in order to enable the utilities to submit the more robust, integrated, and transparent IDPs.

February 12, 2019 Staff Recommendation in Docket No. IR 15-296 at 67. It is in light of this recommendation for a waiver from the Commission Staff that Eversource makes its present request.

2. Pursuant to RSA 378:38, “each electric and natural gas utility, under RSA 362:2, shall file a least cost integrated resource plan with the commission within 2 years of the commission’s final order regarding the utility’s prior plan, and in all cases within 5 years of the filing date of the prior plan.” Eversource’s last plan filing was made on June 19, 2015 in Docket No. DE 15-248, and Order No. 26,050 approving a settlement agreement between Eversource and the Staff relating to that plan was issued on August 25, 2017. That order provided, in relevant part, that Eversource’s next LCIRP would be due within 2 years of that date, or August 25, 2019.

3. RSA 378:38-a states, in its entirety, “The commission, by order, may waive for good cause any requirement under RSA 378:38, upon written request by a utility.” (emphasis added). The statute does not limit or restrict which requirements with RSA 378:38 may be waived by the Commission and makes clear that any requirement it within the Commission’s authority to waive. In that the need to file an LCIRP by a date certain is a requirement of RSA 378:38, the Commission has express statutory authority to waive that requirement by order when requested

by a utility and good cause is demonstrated. Accordingly, Eversource hereby makes its written request for a waiver of the requirement to file its LCIRP by August 25, 2019 as specified in Order No. 26,050 and submits that for the reasons stated below it has good cause for such waiver.

4. As a first matter, and as noted above, the Commission Staff has recommended that there be a new and different filing, the IDP, that would take elements of the existing LCIRP and would enhance those with new requirements. The Staff's recommendation presupposes, therefore, that the LCIRP in its present form will cease to exist in the near future. While the Commission has not yet issued any order relating to the Staff's recommendation, the fact that the Staff has recommended that the LCIRP be eliminated (or at least substantially modified) is a strong indication that an LCIRP filing in line with prior filings would, nearly instantly, become obsolete and unnecessary. Moreover, given its limited lifespan, any Commission action relative to it would ultimately be fruitless – and may not be complete by the time an IDP, or equivalent, is required. There is no good reason to waste the time and resources necessary to prepare such a plan, nor to review and adjudicate such a plan, if that plan has no meaningful life and would serve no meaningful purpose.

5. As further evidence that there is good cause to waive the filing requirement, Eversource points to the transcript of the hearing on its last LCIRP. At that time, the Office of Consumer Advocate (“OCA”), after noting that it believed Eversource's plan was, by its estimation, deficient, stated:

However, the reason I'm not here urging you to reject the 2015 Least Cost Integrated Resource Plan or the Settlement Agreement is that I can't see any useful purpose in your doing that. It would be far more useful for the Commission to take this occasion, perhaps by issuing an order in both this docket and the Liberty docket, to get the least cost integrated resource planning process back on track.

It's clear that the Commission has broad authority to do that, because RSA 378:38-a allows you to waive any of the substantive requirements for plan contents set forth in RSA 378:38. The Commission should use that authority to reinvent least-cost planning to account for three huge changes in the electric industry since New Hampshire first embraced least-cost planning back in 1990.

Those changes are: (1) Industry restructuring, such that electric utilities are no longer vertically integrated or responsible for the development of appropriate generation capacity. (2) Increasingly vigorous assertion by the FERC of authority under the Federal Power Act, such that transmission planning and the mechanisms by which we assure the existence of adequate capacity, meaning generation capacity, now happen at the regional, rather than at the state level. And (3) Grid modernization, such that we can and should expect that a truly least-cost grid will require utilities to yield some of their hegemony in favor of allowing and even facilitating the process of having key grid components developed, owned and operated by third parties and even customers themselves.

Transcript of February 7, 2017 Hearing in Docket No. DE 15-248 at 54-55. Thus, like the Staff, the OCA has encouraged the Commission to "reinvent" least cost planning in light of other developments, particularly those relating to grid modernization. The OCA acknowledged that there would be "no useful purpose" in asking that Eversource to return to the drawing board on its LCIRP, but rather, the better course would be for the Commission to use its waiver authority to amend the process more fundamentally.

6. Similarly, in the hearing relating to the 2016 LCIRP of Liberty Utilities, the OCA stated:

In our judgment, it is imperative for the Commission to confront this reality, though not necessarily in this docket. We have been endeavoring, and by "we" I mean the OCA, to raise this issue in other places it's relevant, specifically, the pending grid modernization docket, the pending net metering docket, and the pending Unitil and Liberty rate cases.

I have, in various conversations with various parties, suggested that maybe the Legislature needs to address this question. In response, some stakeholders have suggested that the waiver language in RSA 378:38-a gives the Commission all the authority it needs to reinvent least-cost integrated resource planning to suit the electric grid of the 21st Century.

If so, the Commission should take that step as soon as possible. Signaling an interest in reforming the LCIRP process would be a very welcome and constructive outcome of this docket, regardless of whether the Commission approves the pending Liberty plan, rejects it or takes no action.

Transcript of December 6, 2016 Hearing in Docket No. DE 16-097 at 87-88. What the OCA was requesting then in the context of the LCIRP filings for Eversource and Liberty is exactly what the Staff is recommending now – that the Commission waive the requirements of RSA 378:38 to allow for a more robust and comprehensive alteration to planning decisions than has been in place with the existing LCIRP process.

7. Furthermore, the Commission itself has acknowledged already that changes to the process would be worthwhile. In the final sentence of its order approving Eversource’s last LCIRP, the Commission noted “We acknowledge the OCA’s position that we should transform the LCIRP process and we intend to continue to develop a new approach to the planning process for electric distribution utilities’ LCIRPs.” Order No. 26,050 (August 25, 2017) at 9. The Commission by this order signaled its intent to develop a new approach to planning, not just for Eversource, but for all utilities on a broader scale. The Staff’s recommendation provides a most appropriate opportunity the Commission to make the shift that it, the Staff, and the OCA have sought. Thus, requiring the near-term filing of an LCIRP based upon the outmoded, and outgoing, approach would be wasteful.

8. Additionally, as the Commission is aware, Eversource has initiated the process of a comprehensive rate review where the Commission, and others, will have the opportunity to thoroughly review the full scope of Eversource’s distribution system planning and management. That process will be ongoing during the very time that Eversource would otherwise be required to file an LCIRP and have it adjudicated. Having to file an LCIRP would divert necessary resources and people to that effort while providing little to no incremental value beyond what

would be obtained through the rate review proceeding.¹ Given the virtual certainty of substantial additional work required to prepare, file, and review and LCIRP, and the strong likelihood that such a filing would provide minimal additional value, there is good cause to waive the requirement for Eversource to file an LCIRP by August 25, 2019.

9. Furthermore, and as acknowledged above, Eversource's last LCIRP was decided by the Commission's approval of a settlement agreement between Eversource and the Commission Staff. Also as noted, however, the Commission Staff has recommended that a waiver of the LCIRP filing requirement is appropriate. Additionally, Eversource has inquired of the Staff whether the Staff would agree that if the Commission were to grant a waiver, such waiver would extend to the requirements under the settlement. While the Staff has indicated that, at present, it takes no position on whether a waiver is appropriate, the Staff has agreed that if the Commission does grant a waiver to file an LCIRP consistent with RSA 378:38, that waiver should extend to the additional requirements contained in the settlement agreement. As such, since the parties to the agreement have agreed that any waiver would also apply to the additional material from the settlement, no settling party would be harmed by any waiver.

10. As a final note, Eversource acknowledges the requirements of RSA 378:40. That statute provides that rate changes are not permitted for a utility unless an LCIRP been filed and approved by the Commission in accordance with the provisions of RSA 378:38 and RSA 378:39. It further provides, however, that the Commission may approve a change otherwise permitted by statute or agreement where the utility has made the required plan filing in compliance with RSA 378:38 and the process of review is proceeding in the ordinary course but has not been

¹ Further, given the comprehensive nature of a rate review at the Commission, even if an LCIRP was filed, it is possible, or likely, that the LCIRP would not even be reviewed until the rate case was at an end. In the case of Eversource, that would mean the LCIRP might not be reviewed until be sometime in mid-2020 when the IDP would take its place in any event.

completed. Should the Commission grant the requested waiver, which it may do consistent with express statutory authority, Eversource's last LCIRP would be one filed and approved by the Commission and thus, Eversource would be compliant with the law. Moreover, should the waiver be granted, Eversource will have made "the required plan filing" through its last LCIRP, as that would be the last filing that was required to be made in compliance with RSA 378:38. Accordingly, granting the waiver requested by Eversource will not impede other regulatory actions by the Commission.

11. Based upon the express, statutorily-granted authority contained in RSA 378:38-a, and in light of the above, Eversource requests that the Commission waive the requirement for Eversource to file an LCIRP as may otherwise be required. Eversource requests that the waiver persist until the IDP, or similar, requirement is established. Upon the establishment of the requirements for that new submission, Eversource requests that the requirements of the LCIRP statute be waived, as may be necessary, in favor of a submission aligned with those new requirements. In brief, Eversource is requesting now what the OCA requested before – that the Commission use its waiver authority to end the submission of the LCIRP and replace it with a new submission.

12. Eversource acknowledges that times have changed and that adapting to that change by updating the means by which investment plans are developed and reviewed is worthwhile. Engaging in the effort to produce an LCIRP in the face of such change is not a productive use of the Company's time, nor would it be a productive use of the time of the Commission, its Staff, the OCA, or other parties. Accordingly, there is good cause to waive the requirement for Eversource to file an LCIRP to allow for the development and filing of a new, and more useful, plan. Lastly, Eversource requests that if, despite the above, the Commission does not grant the

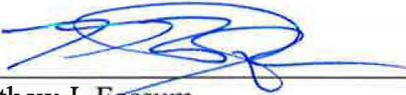
requested waiver, it issue an order in sufficient time to permit Eversource to complete the work needed to create the LCIRP.

WHEREFORE, Eversource respectfully requests that the Commission:

- A. Grant the waiver requested herein pursuant to RSA 378:38-a;
- B. Issue an order on Eversource's request no later than June 1, 2019; and
- C. Grant such further relief as is just and equitable.

Respectfully submitted,
Public Service Company of New Hampshire d/b/a Eversource Energy
By Its Attorney

Dated: April 8, 2019

By: 
Matthew J. Fossum
Senior Counsel
Public Service Company of New Hampshire d/b/a Eversource Energy
780 No. Commercial Street, P.O. Box 330
Manchester, NH 03105-0330
(603) 634-2961
Matthew.Fossum@eversource.com

CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached Motion to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

April 8, 2019
Date


Matthew J. Fossum