

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
D/B/A EVERSOURCE ENERGY
WESTINGHOUSE ELECTRIC COMPANY, LLC SPECIAL CONTRACT
TESTIMONY
OF
RHONDA J. BISSON**

INTRODUCTION AND QUALIFICATIONS

Q. Please state your name, business address and title.

A. My name is Rhonda J. Bisson. My business address is 780 North Commercial Street, Manchester, New Hampshire. I am employed by Eversource Energy Service Company as Manager of Rates, and in that position I provide service to Public Service Company of New Hampshire d/b/a Eversource Energy (“PSNH” or “the Company”).

Q. Have you testified previously before the Commission?

A. Yes, I have testified previously.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to describe and summarize the proposed Special Contract between PSNH and Westinghouse Electric Company, LLC (Westinghouse).

DESCRIPTION OF THE SPECIAL CONTRACT

Q. How long has PSNH provided electric service to Westinghouse under the special contract?

A. PSNH has provided separately metered interruptible service to Westinghouse’s pump testing operation (or its predecessor companies’ pump testing operations) under the terms of several special contracts spanning thirty-nine years. The first special contract went into effect on February 1, 1978 and has been replaced by several superseding contracts which are listed on Attachment RJB-1. The current contract will expire on December 31, 2017. The terms and conditions under the contracts have remained essentially the same since 1978. PSNH is proposing very similar terms in Special Contract NHPUC-146.

1 In addition, PSNH provides delivery service for all of Westinghouse's remaining electric
2 service requirements under standard tariff pricing, specifically Primary General Delivery
3 Service Rate GV.

4 **Q. Please describe the uniqueness of the interruptible service arrangement with**
5 **Westinghouse and describe the special circumstances which warrant departure**
6 **from standard tariff pricing.**

7 A. Under other interruptible service options previously offered to PSNH's customers, such
8 as the Voluntary Interruption Program Rate VIP, PSNH must rely on the customer to
9 terminate its designated interruptible load when requested. The Company cannot
10 determine whether the customer complied with the request until later, after the
11 customer's meter is read.

12 However, PSNH has direct control of Westinghouse's circuit switcher from PSNH's
13 Electric System Control Center in Manchester. A dispatcher has the ability to
14 instantaneously terminate electric service to Westinghouse's pump testing operation.
15 This direct control arrangement provides PSNH with the assurance that it does not need
16 to plan capacity to meet Westinghouse's pump testing load requirements and that it will
17 maintain a higher system load factor, resulting in a more efficient use of PSNH's
18 facilities. This greater control and assurance of interruption means that service to
19 Westinghouse should be priced lower than service under standard tariff pricing. Since
20 PSNH does not offer a direct controlled interruptible service rate under its Delivery
21 Service Tariff, departure from standard tariff pricing under a special contract arrangement
22 is necessary to define the terms and conditions and pricing provisions of this unique
23 interruptible service arrangement.

24 **Q. Please describe the terms for furnishing interruptible power to Westinghouse under**
25 **the Special Contract.**

26 A. Westinghouse's pump testing operation periodically tests large pumps manufactured by
27 Westinghouse for use in nuclear power plants. In order to receive interruptible power
28 under the Special Contract, Westinghouse must contact PSNH's system load dispatcher
29 and provide the amount of interruptible power in megavolt-amperes that it expects to
30 utilize, the approximate time that PSNH should begin furnishing interruptible power and
31 the estimated length of time that interruptible power will be utilized by Westinghouse.

1 PSNH will furnish interruptible power to Westinghouse as requested only if the
2 Independent System Operator of New England (ISO-NE) has not implemented operating
3 procedures equivalent to Operating Procedure No. 4, Westinghouse utilizes its pump
4 testing variable frequency drive for the duration of the period interruptible power is
5 received, and PSNH can maintain the integrity of its electrical system while providing
6 such power. Telemetry and remote control equipment are located at Westinghouse's
7 location and at PSNH's Electric System Control Center. This equipment enables PSNH's
8 system load dispatcher to remotely operate the circuit switcher at Westinghouse in order
9 to interrupt the furnishing of interruptible power.

10 **Q. What is the duration of the Special Contract?**

11 A. The Special Contract will remain in effect for a five-year period following Commission
12 approval. In light of the only minimal changes that have been made to the successive
13 special contracts with Westinghouse for nearly 40 years, allowing this contract to remain
14 effective for a 5-year period is reasonable and appropriate.

15 **Q. Please describe the rates and charges under the Special Contract.**

16 A. Under the terms of the Special Contract, PSNH will furnish delivery service in
17 accordance with the Terms and Conditions of its Delivery Service Tariff and the specific
18 provisions of Large General Delivery Service Rate LG, except that the maximum
19 demand for billing under Rate LG will be based on fifty percent of the highest kilovolt-
20 ampere demand, and will be based on demands during the current billing period only,
21 rather than during the current billing period and previous eleven billing periods (i.e., no
22 demand ratchet will be applied). Since 1978, PSNH has rendered interruptible service to
23 Westinghouse under the maximum demand billing provision described above.

24 With respect to energy service, Westinghouse will have the option of purchasing its
25 energy service from an energy service provider, directly from ISO-NE under the terms of
26 Self-Supply Service or from PSNH in accordance with the Terms and Conditions of
27 PSNH's Tariff. If Westinghouse purchases energy service from PSNH, the Company
28 will furnish the service in accordance with the provisions of Alternate Default Energy
29 Service Rate ADE until the rate is no longer available. Subsequent to Rate ADE, the
30 Company will furnish the service in accordance with the provisions of Default Energy

1 Service Rate DE applicable to customers receiving delivery service under Large General
2 Delivery Service Rate LG.

3 **Q. Please estimate the impact on Westinghouse's annual electric bill if Westinghouse**
4 **were billed under standard tariff Rate LG pricing rather than Special Contract**
5 **pricing.**

6 A. Based on Westinghouse's pump testing load for the period November 2016 – October
7 2017 and rates effective July 1, 2017, Westinghouse's annual electric bill would be more
8 than 140% higher under standard tariff Rate LG pricing than under special contract
9 pricing.

10 **Q. What options will Westinghouse consider if Special Contract NHPUC-146 is not**
11 **approved?**

12 A. If Special Contract NHPUC-146 is not approved, Westinghouse has indicated it will re-
13 evaluate its decision to manufacture and test pumps in Newington, New Hampshire and
14 will consider re-locating its manufacturing and pump-testing operations to another
15 existing Westinghouse facility outside New Hampshire. In addition, Westinghouse will
16 consider purchasing or renting a generator to support its pump testing operation on an as
17 needed basis.

18 **BENEFITS TO PSNH'S CUSTOMERS**

19 **Q. What are the expected benefits of the Special Contract to PSNH's customers?**

20 A. To the extent that PSNH retains delivery sales that would not exist absent the special
21 contract, its customers benefit from the retained contribution to fixed costs, which lower
22 rates for all other customers.

23 **BENEFITS TO PSNH**

24 **Q. What are the expected benefits to PSNH if the Special Contract is approved?**

25 A. PSNH will continue to receive distribution revenue associated with Westinghouse's
26 pump testing operation. Based on Westinghouse's pump testing load for the period
27 November 2016 – October 2017 as a proxy for future load and distribution rates effective
28 July 1, 2017, PSNH would receive approximately \$972,000 in distribution revenue over
29 the five-year contract period. In addition, PSNH will receive approximately \$423,000 in
30 distribution revenue over the five-year contract period from Westinghouse's other

1 manufacturing load requirements currently being served under standard tariff pricing. If
2 the Special Contract is approved, the risk of losing Westinghouse's manufacturing load
3 and associated distribution revenue would be significantly reduced.
4

5 **BENEFITS TO THE STATE OF NEW HAMPSHIRE**

6 **Q. What are the expected benefits to the State of New Hampshire from the Special**
7 **Contract?**

8 A. Westinghouse has represented that approximately 238 jobs will be at risk if the Special
9 Contract is not approved, because Westinghouse will further analyze all of its options for
10 its pump testing and manufacturing operations, which could result in the relocation of its
11 entire operation outside New Hampshire. Based on this belief, the benefit to the State of
12 New Hampshire is the continued employment of at least 238 individuals in New
13 Hampshire's manufacturing sector, as well as the additional benefits generated for local
14 vendors, including local machine shops, industrial painters, hotels, restaurants, and
15 transportation companies.

16 **Q. What is PSNH requesting in this filing?**

17 A. PSNH is seeking Commission approval of Special Contract NHPUC-146 prior to the
18 termination date of Special Contract NHPUC-145 on December 31, 2017.

19 **Q. Does this complete your testimony?**

20 A. Yes, it does.