

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-080

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

Petition for Approval of the 2024 Lost Base Revenue Rate

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On September 1, 2023, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition for approval of a proposed lost base revenue (LBR) rate for effect between January 1, 2024 and December 31, 2024. Eversource's proposed LBR rate is based on a calculation codified by RSA 374-F:3, VI-a (d), which has the effect of moving energy efficiency related savings, estimated to be \$14,474,678 in 2024, from Eversource ratepayers to Eversource shareholders. In support of the petition for approval of its proposed LBR rate, Eversource submitted the pre-filed testimony of Yi-An Chen, the Director of Rate Revenues for New Hampshire, and supporting attachments. All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-080.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

RSA 374-F:3, VI-a(a) provides that: "A nonbypassable and competitively neutral systems benefits charge applied to the use of the distribution system may be used to fund public benefits related to the provision of electricity." This is known as the System Benefits Charge (SBC) and is used to fund, among other things, energy efficiency programs. *Id.* Eversource is the only utility permitted to charge an LBR rate to collect revenue it estimates to be lost due to decreased volumetric sales attributable

to energy efficiency programs, and the LBR rate calculation was codified by the General Court. RSA 374-F:3, VI-a (d). Through the SBC assessments, Eversource recovers all energy efficiency programming and administrations expenses, then collects a performance incentive as well as lost base revenues in return for engaging in energy efficiency programs in New Hampshire. Lost base revenue is calculated by multiplying the projected annual energy savings by the utility's distribution rate to calculate estimated lost revenue for the year; in turn the lost revenue is then collected through a volumetric rate based on projected sales. Eversource is required to propose a revenue decoupling mechanism, which would replace the LBR rate, in its next rate case. See Settlement Agreement of Permeant Rates in Docket No. 19-057 at Bates page 29 (October 9, 2020).

In its filing, Eversource proposes an LBR rate of \$0.00181 per kWh effective January 1, 2024. See Pre-filed Testimony of Yi-An Chen at 3. Eversource's proposed LBR rate is designed to collect approximately \$14,041,000 of revenue that it estimates will be lost from decreased electric energy sales resulting from the energy efficiency programs offered through the 2024–2026 Triennial Energy Efficiency Plan in 2024. See Attachment YC-1 at 1. For an average residential customer using 625 kWh per month, this rate results in an overall monthly LBR assessment of \$1.13, a \$0.15 decrease from the LBR rate currently in effect. See *id.* at 9.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether Eversource correctly calculated the proposed 2024 LBR rate based on the existing LBR formula consistent with RSA 374-F, VI-a; and whether the proposed LBR rate is otherwise lawful, just and reasonable as required by RSA 378:5 and RSA 378:7. 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 fifteen (15) days prior to the 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, RSA 378:5, and RSA 378:7, 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 December 14, 2023, at 1:00 p.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that the New Hampshire Department of Energy shall file its position regarding Eversource's petition, including the reasons for this position, on or before December 4, 2023; 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 November 9, 2023. 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 November 16, 2023; 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

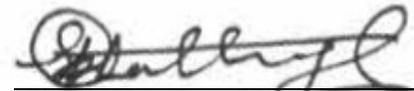
by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before October 20, 2023. In addition, the Clerk shall publish this order of notice on the Commission's website 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 sixth day of October, 2023.



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#: 23-080

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