

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 18-182

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

Petition for Adjustment to Stranded Cost Recovery Charge

ORDER OF NOTICE

On November 30, 2018, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition for an adjustment to its stranded cost recovery charge (SCRC) for effect on a service-rendered basis as of February 1, 2019. Eversource is currently billing an average SCRC rate of 2.053 cents per kilowatt hour (kWh) for customers in its residential Rate R class. In this filing, Eversource estimates a residential SCRC rate of 1.981 cents per kWh. Eversource said it would update the SCRC rate prior to the hearing on this matter. Eversource said that the major reason for the estimated decrease in SCRC rates is due to the expected decrease in the February 1, 2019 Rate Reduction Bonds (RRBs) and the removal of the non-scrubber energy service under-recovery from the SCRC charge.

Eversource made this filing consistent with the requirements of the 2015 Restructuring Settlement Agreement approved by the Commission in Order No. 25,920 (July 1, 2016). Pursuant to this Agreement, Eversource divested its generation assets and now uses a competitively bid energy service procurement process to set its energy service rate. In addition, Eversource was authorized to recover stranded costs associated with divestiture through a new SCRC mechanism. The SCRC mechanism consists of two parts. Part 1 costs are composed of divestiture costs that are securitized by RRBs approved by the Commission in Order No. 26,099 (January 30, 2018). Pursuant to the RRB True-up Mechanism approved in Order No. 26,099, the

Part 1 RRB charge will be adjusted upward or downward to account for true-up. The true-up RRB charge will be included as Part 1 SCRC to rates effective February 1, 2019.

Part 2 costs consist of “ongoing” stranded costs including the over-market value of energy purchased from independent power producers (IPPs) and the amortization of payments previously made for IPP buy-downs and buy-outs approved by the Commission. As part of divestiture, Part 2 incorporates new stranded costs including the costs of retained power entitlements, and any unsecuritized, prudently incurred decommissioning (if any), environmental, or other residual costs or liabilities related to the generating facilities. Part 2 costs also include expenses associated with the Burgess and Lempster purchase power agreements previously approved by the Commission.

Pursuant to Order No. 25,664 (May 9, 2014), the SCRC charge is offset by Eversource applying a credit consisting of excess proceeds from Regional Greenhouse Gas Initiative (RGGI) auctions. Eversource’s preliminary calculation of the RGGI credit for effect February 1, 2019 is 0.104 cents per kWh. This credit will be updated along with Part 2 Stranded costs prior to the hearing scheduled in this docket.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission’s website at <http://www.puc.nh.gov/Regulatory/Docketbk/2018/18-182.html>.

The filing raises, *inter alia*, issues related to whether the costs Eversource claims for recovery through the SCRC are consistent with the categories of eligible costs as set forth in the 2015 Settlement Agreement; whether Eversource appropriately calculated Part 2 SCRC costs and whether Eversource prudently incurred costs associated with divestiture; and whether the

resulting rates are just and reasonable as required by RSA 378:5 and RSA 378:7. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Hearing, pursuant to N.H. Code Admin. Rules Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on January 16, 2019 at 10:00 a.m.; and it is

FURTHER ORDERED, that Eversource file an update to its estimated Part II SCRC rate no later than January 11, 2019; and it is

FURTHER ORDERED, that Eversource file its RRB True Up no later than January 15, 2019; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than January 2, 2019, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before January 14, 2019; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Eversource and the Office of the Consumer Advocate on or before January 14, 2019, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before January 16, 2019.

By order of the Public Utilities Commission of New Hampshire this December 18, 2018.

A handwritten signature in black ink, appearing to read "Debra A. Howland", is written over a horizontal line.

Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, 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.