

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

DE 18-023

PUBLIC SERVICE CO. OF N.H. d/b/a EVERSOURCE ENERGY

Petition for Adjustment to Stranded Cost Recovery Charge

ORDER OF NOTICE

On February 16, 2018, Public Service Co. of N.H. d/b/a Eversource Energy (Eversource) filed a petition for an adjustment to the stranded cost recovery charge (SCRC) for effect on a service-rendered basis on April 1, 2018. Pursuant to Order No. 26,090 (Dec. 27, 2017), Eversource is currently billing an average SCRC rate of 0.042 cents per kilowatt hour (kWh). In this filing, Eversource estimates a residential SCRC rate of 1.832 cents per kWh, beginning on April 1, 2018.

Eversource states that the purpose of this filing is to comport with the requirements in the 2015 Settlement Agreement related to the divestiture of Eversource generation units. *See*, Order No. 25,920 (July 1, 2016). Pursuant to the 2015 Settlement Agreement, Eversource will transition to a competitively procured energy service rate and a new SCRC rate at the same time. The Commission approved the results of Eversource's first competitive energy service procurement for effect April 1, 2018 in Order No. 26,104 (Feb. 22, 2018), and the instant filing proposed to change the SCRC for effect also on April 1.

The SCRC recovery mechanism was established pursuant to a Restructuring Settlement approved in Docket No. DE 99,099, and originally consisted of three parts—Part 1, Part 2 and Part 3. Part 3 costs were fully recovered as of June 2006. Part 1 costs were composed of the original Rate Recovery Bond (RRB) charge, and these RRB costs were fully recovered as of

May, 2013. Eversource expects new RRBs to be issued in April 2018 and the recovery of the associated charges will be included in Part 1 of the SCRC.

Part 2 costs are “ongoing” stranded costs consisting primarily of the over-market value of energy purchased from independent power producer (IPPs) and the amortization of payments previously made for IPP buy-downs and buy-outs approved by the Commission. Pursuant to the 2015 Settlement Agreement, Part 2 will also include various new costs, including the costs of retained power entitlements and any un-securitized, prudently incurred decommissioning, environmental or other residual costs or liabilities related to the generating facilities. Eversource did not include any of the costs associated with divestiture in the calculation of the initial estimate of the SCRC rate. Eversource is not asking for approval of this rate, but will update its estimates with more recent data before a merits hearing.

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/2018/18-023.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 March 20, 2018 at 10:00 a.m.; 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 March 7, 2018, 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 March 16, 2018; 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 March 16, 2018, 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 March 19, 2018.

By order of the Public Utilities Commission of New Hampshire this first day of March,
2018.



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.