

BEFORE THE STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

PETITION FOR REVIEW OF THE  
REASONABLENESS OF CERTAIN CHARGES  
OF PUBLIC SERVICE COMPANY OF  
NEW HAMPSHIRE FOR SERVICES TO  
COMPETITIVE SUPPLIERS

DE 12-295

**POST HEARING BRIEF OF NORTH AMERICAN POWER AND GAS, LLC**

The Public Utilities Commission ("Commission" or "PUC") opened this docket upon petition from PNE Energy Supply LLC, d/b/a Power New England ("PNE") to review the "reasonableness and appropriateness" of three charges that Public Service Company of New Hampshire ("PSNH") assesses against Competitive Electric Power Suppliers ("Suppliers" or "CEPS").<sup>1</sup> The lack of any valid grounds for the three charges (the "Selection Charge," "Billing and Payment Service Charge," and "Collection Services Charge," collectively the "Supplier Charges") have now been fully aired in testimony of four Supplier witnesses (Kevin Dean of Electricity New Hampshire ("ENH"); Taff Tschamler of North American Power and Gas, LLC ("NAPG"); Gus Fromuth for PNE; and Daniel Allegretti for the Retail Energy Supply Association ("RESA")); testimony of two

<sup>1</sup> The Order of Notice describes the charges as follows:

(1) the \$ 5.00 per request "Selection Charge" which is assessed when a customer switches to or from PSNH's default service; (2) the "Billing and Payment Service Charge" which PSNH charges on a \$0.50 per bill rendered basis for the billing and payment services PSNH provides to a competitive service supplier who has opted for consolidated billing services; and (3) the "Collection Services Charge" which is billed at 0.252% of total monthly receivable dollars pursuant to a written agreement with competitive suppliers.

PSNH witnesses (Charles Goodwin and Heather Tebbetts); extensive discovery; and an October 3, 2013 hearing (see Hearing Transcript (“Tr.”) passim).

Seventeen exhibits (“Exhibits” or “Exh.”) were admitted into the record.

PSNH has assessed the Supplier Charges against Suppliers while simultaneously exempting its own default service business. Collectively, the Supplier Charges have imposed increasing burdens on Suppliers and their customers from under \$17,000 in 2008 to \$72,398 in 2009, \$133,366 in 2010, \$187,356 in 2011, \$547,464 in 2012 and \$824,005 through the first seven months of 2013 alone. See Exh. 11 (PSNH Response to ENH 1-2); Tr. 204-05. Individually, each charge is significant as well; during the relevant January 2008 through July 2013 period, the Selection Charge totaled \$881,000 (\$524,800 in the first seven months of 2013 alone), the Collections Services Charge almost \$570,000 (\$126,500 in 2013 through July), and the Billing and Payment Charge almost \$330,000 (\$172,686 in 2013 through July). Id.

NAPG respectfully requests that the Commission find and rule that:

- (1) each Supplier Charge is unjust, unreasonable and/or discriminatory;
- (2) each Supplier Charge should be eliminated unless and until PSNH establishes a sufficient current justification for each proposed charge;
- (3) if any Supplier Charge is retained, it should apply equally to PSNH default service;
- (4) if any Selection Charge is retained, it should be charged only to the extent permitted by the PSNH tariff (i.e., it should not be charged when a supplier does not initiate a customer drop);
- (5) PSNH's request to be relieved of the obligation to offer supplier services on a regulated basis is rejected as unsupported and unsound or PSNH be ordered to facilitate supplier consolidated billing; and

- (6) refunds should be issued dating back two years from Fall 2012 pursuant to Revised Statutes Annotated ("RSA") 365:29 or other applicable laws.

### **Argument**

#### **I. THE SUPPLIER CHARGES LACK ANY VALID JUSTIFICATION.**

The pre-filed testimony, hearing testimony and other Exhibits provide the Commission with numerous practical, policy and legal reasons why the Commission should conclude that the Supplier Charges are unjust, unreasonable and unfair. In addition, the charges are contrary to the RSA 374-F:3 Restructuring Principles, specifically including that:

The commission should monitor companies providing transmission or distribution services and take necessary measures to ensure that no supplier has an unfair advantage in offering and pricing such services....

The allocation of the costs of default service should be borne by the customers of default service in a manner approved by the commission. If the commission determines it to be in the public interest, the commission may implement measures to discourage misuse, or long-term use, of default service....

The rules that govern market activity should apply to all buyers and sellers in a fair and consistent manner in order to ensure a fully competitive market....

Id., at subsections IV, V, VII (emphasis added).

#### **A. The Supplier Charges Lack Valid Cost Support.**

For charges that have imposed over \$1.7 million in fees on Suppliers and customers since 2008 (Exh. 11), and are certain to remain high for years, PSNH offers remarkably little in the way of any support to justify the Supplier Charges.

PSNH has provided no cost support whatsoever for the Selection Charge. See Exh. 2 (Allegretti testimony) at Exhibit A (Attachment GAL/SRH-8) at p. 1 out

of 5 (excerpt from PSNH exhibit in 1999 rate case). PSNH borrowed a charge that it understood was being assessed by Granite State Electric (now Liberty).<sup>2</sup> As far as Suppliers can discern, however, Liberty has never in fact imposed the charge on Suppliers. Id.; see also Exh. 4 (Dean Testimony at 5 describing Liberty documentation that supplier charges would be imposed only if listed on an exhibit). Consistent with PSNH's evident use of the \$5.00 fee as a "placeholder" (Tr. 18, 67) (Allegretti), PSNH promised in 1999 to update these charges as the market developed. Exh. 2 at Attachment Exhibit A.<sup>3</sup> PSNH never did so, leaving what Commissioner Harrington referred to in questioning as "an arbitrary \$5.00 cost structure....". Tr. 214-18.

In sum, PSNH has presented nothing to the Commission to provide a cost basis for the Selection Charge since its inception nearly 15 years ago.<sup>4</sup> Absent any substantive rationale or cost support, the Selection Charge should be rejected. Moreover, as utilities have to build in capability to switch distribution customers on and off the system even in the absence of competition, logic supports recovering switching-related costs in distribution rates, as is done in

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<sup>2</sup> See id. ("the five dollar fee is intended to cover the administrative costs associated with all supplier transactions.... PSNH did not prepare a cost analysis of the administrative costs but rather adopted the amount used by [Liberty] for the same transaction...."); see also Tr. 35-36 (PSNH confirming lack of cost support).

<sup>3</sup> According to the Exh. 2 Attachment Exhibit A, p. 1 of 5, "[g]iven the uncertainty of the magnitude of administrative costs and the number of transactions which will occur in a 'steady state', GSE's five dollar fee appears reasonable for now and PSNH will revisit the fee in the future when actual costs are better known."

<sup>4</sup> Recognizing the lack of valid cost basis for any of its charges, PSNH used technical session discovery to offer information that it suggested might be used to support the three supplier charges in a future docket. PSNH failed to allocate such potential costs to justify any of the three current Supplier Charges and provided no annual break downs. See Exh. 7 (PSNH failing to provide requested cost and expense information); Exh. 9 (PSNH data response failing to provide annual breakdowns of supplier-related costs); Tr. 137, 143-45, 164-69.

other New England states. Tr. 86 (Allegretti); see also pp. 8-9 infra (discussing absence of switching charges in Connecticut and Massachusetts markets).

For the Billing and Payment Service Charge and the Collections Services Charge, PSNH offers only outdated fully embedded cost analyses performed during the 1999 rate case. Exh. 2 at Attachment Exhibit A, pp. 2 of 5, 3 of 5, and 5 of 5; Tr. 33. PSNH has never updated these costs during any of the three previous rate cases since the charges were proposed. Exh. 8 (listing rate case dates); Tr. 140-141. This cost data is grossly out of date and offers no reliable support to the latter two charges.<sup>5</sup> The 1999 cost data also suffers from additional defects. First, the original estimates rely on an inappropriate embedded cost methodology for supplier charges; the Commission should no longer accept such use for the reasons stated in Section I.B infra. Second, the original estimates assumed that PSNH would perform “administrative” processing work (see generally Exh. 2 at Attachment Exhibit A).<sup>6</sup> That no longer can be assumed to be an accurate assumption due to increased use of electronic processing systems. Tr. 62-63, 96-97 (Dean and Fromuth testimony). Third, insofar as the cost data dates from 1999, before any competitive entry in New Hampshire, and was never updated, none of the supplier parties has had any

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<sup>5</sup> Commissioner Harrington expressed particular concern about the failure of PSNH to offer any updated information, especially given the evident impacts of these charges on competitive Suppliers. Tr. 221-26.

<sup>6</sup> For example, the Billing and Payment Service Charge assumes \$675,000 in test year labor and payroll overhead to “Create and Render Bill.” Id., p. 5 of 5.

opportunity to explore the grounds for these substantial ongoing charges in an adjudicative hearing.<sup>7</sup>

For these reasons, each of the Supplier Charges should be invalidated unless and until PSNH establishes a current justification for each charge. The cost information supporting these charges is either absent or too stale and untested, and the methodology is too inaccurate to establish that they are just or reasonable. RSA 378:7.<sup>8</sup> The size of the Supplier Charges, the lack of data to support them and PSNH's admission that they plan to keep charging them for three or even more years before PSNH completes its next rate case all justify immediate Commission action, whether as an exercise of authority to eliminate or reduce "unjust or unreasonable" rates pursuant to RSA 378:7 or under the exogenous events settlement agreement clause in the Docket 09-035 PSNH rate proceeding. Exh. 8 (permitting Commission action outside of a rate case when, as here, PSNH costs or revenues vary from rate case assumptions by more than \$1 million); Tr. 157-62 (Goodwin).<sup>9</sup>

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<sup>7</sup> See Exh. 11 (showing 2013 charges through July of \$172,686 for the Billing and Payment Service Charge and \$126,520 for the Collections Services Charge). Annualizing these \$300,000 in partial year charges should easily exceed \$500,000 per year on a going forward basis.

<sup>8</sup> PSNH should bear the burden of proof relative to each of the Supplier Charges. Tr. 142-43. Pursuant to RSA 378:8, PSNH bears the burden of proof when seeking a rate increase and nothing in the RSA requires that the burden be shifted when the Commission, on its own motion or upon a complaint, challenges an existing rate as no longer meeting the "just and reasonable" rate requirement. See RSA 378:7. Given that PSNH is the custodian of information regarding its own cost structure, complainants should not be forced to bear an evidentiary burden that PSNH could frustrate through inaction. In determining just and reasonable rates, "investors' interests ... must be secondary to the Commission's primary concern of protecting the consuming public." Re PSNH, Order No. 22,784, 82 N.H. P.U.C.18 787, 796 (1997); see also Appeal of Eastman Sewer Co., Inc. (1994) 138 N.H. 221. The logical rule would be for the Commission to require complainants to produce proof that calls into question the validity of a utility rate, at which point the utility would bear the burden of defending it under state law standards. In any event, the record makes clear that NAPG and the other Suppliers have met any and all applicable burdens relative to the Supplier Charges.

<sup>9</sup> This is not the usual dispute over post rate case utility cost or revenue deviations where differences between PSNH and distribution ratepayers can be assumed to even out over time.

**B. Use of a Fully Embedded Cost Rate Methodology for the Supplier Charges is Unprecedented and Unwise.**

The cost data supporting the Billing and Payment Service Charge and the Collection Services Charges - and that PSNH proposes to use for all Supplier Charges going forward - relies on an unsound cost methodology that has not been used elsewhere to develop Supplier Charges. PSNH witness Charles Goodwin testified that a dispute existed over what “cost” should mean for justifying the Supplier Charges. Tr. 153-54. Mr. Goodwin argued that “cost” required a fully embedded cost study litigated in a “very expensive...very controversial and contentious” rate case-like proceeding. Exh. 5 (PSNH Testimony, pp. 10-13); Tr. 154, 173-74. The use of fully-embedded cost for calculating charges to competitive Suppliers is unprecedented nationally, and PSNH never undertook any study to see how other jurisdictions handled these charges post-1999. Exh. 17; Tr. 229-31. PSNH’s adherence to this pre-restructuring approach to supplier charges without undertaking any study to determine a more appropriating costing approach for supplier charges provides further support for immediate invalidation of the Supplier Charges. It also is inconsistent with PSNH’s own practices relative to the Alternative Default Energy (“ADE”) rate.<sup>10</sup>

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Here, third party suppliers are harmed by these excessive costs that will cause immediate harm to the public interest through decreased competition until these harms are corrected at the end of the next rate case – that will not even commence until 2016 or beyond.

<sup>10</sup> PSNH did not limit itself to fully embedded costs when proposing its ADE rate, relying instead on a marginal cost-based approach. See generally Order, Docket No. 11-216 (April 8, 2013), p. 5 (pricing rate ADE based on “marginal costs of additional energy requirement needed to serve the customer taking service under Rate ADE” and non-operating costs of the “Scrubber” facilities at

The following summarizes the record on this issue:

- Other New Hampshire utilities do not impose any of the three Supplier Charges (Tr. 14) (Fromuth) so, as such, they do not require an embedded cost study for all services provided to Suppliers;
- Massachusetts and Connecticut utilities similarly do not assess any of the three Supplier Charges (Exh. 16) (PSNH Supplemental Response to PNE 1-9);
- Maine does not impose any Selection Charge and combines the two other charges into a small (about \$0.26 per month) incremental cost charge (Exh. 4 (Dean Testimony) at p. 8; Tr. 33); and
- PSNH has not been able to identify a single supplier charge of any kind imposed in any other state set based on fully embedded costs. Exh. 17 (PSNH Supplemental Response to NAPG-16); Tr. 230-31.

Use of fully embedded cost for establishing the Supplier Charges also runs counter to sound utility ratemaking principles and common sense. Distribution customers already pay fully embedded costs for monopoly transmission and distribution services. Requiring Suppliers to pay embedded cost-based rates to access the same services necessary for distribution services would result in a duplicative payment that would exclusively benefit, and subsidize, distribution (many of whom are default service customers and would unjustifiably benefit from the competitive supply payments). Tr. 71-73. Such an overcharging of Suppliers would excessively burden competition, harm consumers seeking to take advantage of alternative pricing and services available on the competitive generation market, and violate the Restructuring

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PSNH's Merrimack Station); Tr. 167 (Tebbetts' hearing admission as to use of marginal rather than embedded cost approach for Rate ADE).



Principles.<sup>11</sup> Other utilities either do not charge Suppliers at all (such as in Connecticut, the other in-state utilities and Maine (relative to Selection Charge)) or expressly calculate a small incremental cost-based charge (such as Maine billing and collection charges). See Exh. 16 (Connecticut/Massachusetts Supplier Charges); Tr. 86 (Allegretti testimony that utilities recover the capital costs of competitive upgrades in distribution rates and then do not charge for the essentially cost-free EDI transactions); Tr. 37-38 (Dean testimony discussing incremental cost approach used in Maine).

## **II. CHARGING SUPPLIERS WHILE EXEMPTING DEFAULT SERVICE IS DISCRIMINATORY AND ANTI-COMPETITIVE.**

### **A. Supplier Fees Should Not Be Assessed Only Against Suppliers While Exempting PSNH's Default Service.**

The imposition of Supplier Charges exclusively on competitive Suppliers and their customers exacerbates Supplier concerns regarding the lack of justification for the Supplier Charges and the apparent violation of the Restructuring Principles. Exh. 3 (Tschamler testimony at pp. 29-30); Tr. 26-27, 29; see also Tr. 19 (Allegretti). PSNH has confirmed that default service customers pay none of these Supplier Charges; PSNH fully recovers all billing, collection and switching costs for default service customers in distribution rates. Exh. 13 (re default billing and collections costs in distribution rates); Tr. 183-83, 186-87 (re default selections costs in distribution rates). Consequently, the PSNH default service business competes in the marketplace without any burden

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<sup>11</sup> See supra at p. 3. The record highlights additional equity issues that should be reviewed in a future PSNH rate docket, including that PSNH has virtually no incremental costs associated with the Collections Service Fee and PSNH distribution customers actually benefit from the availability of supplier revenues (due to the PSNH-favorable payment hierarchy) that minimize disconnection proceedings and costs. Tr. 44-47.

from these substantial Supplier Charges.<sup>12</sup> If, hypothetically, PSNH services have sufficient value to merit a cost-based payment by competitive Suppliers, its own default service customers should pay them as well. Tr. 26-27 (Tschamler). Such equalization of charges for the same services would help avoid a misuse of default service in violation of the Restructuring Principles. Tr. 76-77 (Tschamler).

Viewed at a high level, the current system disadvantages Suppliers in many ways: (1) its monopoly utility competitor, PSNH, charges Suppliers excessive fees for virtually cost-free electronic transactions (Tr. 62-63, 78-80); (2) the utility competitor exempts its own competing energy supply business from the same excessive charges (Tr. 26-27); (3) the supplier's customers double pay for supplier-related costs (once through higher distribution rates that subsidize default service and once for any pass through of supplier charges) while the default customers only pay once through distribution charges (Tr. 189-95, 225-26, 237-39, 242); and (4) the utility competitor receives windfall earnings above the test year revenues built into rates until a rate case several years down the line (see Section III infra).<sup>13</sup>

The Commission should solve this serious discrimination and fairness problem by (1) eliminating the charges as unsupported and unsound for the

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<sup>12</sup> Under current law, (1) default service pays no billing fee, but Suppliers face a \$0.50 per month/\$6.00 per year payment; (2) default service pays no collections fee but Suppliers pay a monthly fee of 0.252% (over 3% per year) on the receivables balance to pay for collections services; default service pays no fee when a customer leaves to join the competitive market or returns later to default service but Suppliers pay a \$5.00 charge when one joins up and, as applied by PSNH, another \$5.00 when the customer departs for another supplier or goes to default service.

<sup>13</sup> These charges also artificially impede the customer migration that may jeopardize PSNH's ability to earn substantial rate of return earnings on PSNH-owned generation facilities. See Tr. 19 (Allegretti testimony that "[g]iven the vested financial interest PSNH has in retaining default service customers, I would suggest that the Commission err on the side of promoting competition").

reasons discussed in the Sections I and II.A supra; or (2) rejecting these discriminatory charges as being “unjust” or conflicting with the Restructuring Principles, or (3) both.<sup>14</sup> Alternatively, if the Commission retains any of the three charges in this case or in a future case, such charges should be applied to default service as well. Tr. 52-53 (Tschamler testimony); Tr. 255 (PSNH acknowledgement that Supplier Charge costs could be incorporated into default service rate process).

**B. PSNH Should Be Limited to its Selection Charge Tariff.**

PSNH claims to impose a Selection Charge on Suppliers who lose a customer to another supplier or to default service. Tr. 120-25. This PSNH practice is not permitted by the tariff. See Exh. 6 (PSNH Tariff NHPUC No. 8 at p. 2) (applying only to change orders “initiated by” a supplier).<sup>15</sup> It would be inconsistent with the tariff’s plain meaning to charge the “losing” supplier when default service or another supplier is taking the customer. A “losing” supplier drop order to get the customer off of its books cannot reasonably be viewed as the supplier “initiating” such customer change. Indeed, at hearing Ms. Tebbetts for PSNH admitted that the “winning” supplier initiates the transaction and the “losing” supplier “doesn’t initiate any of it.” Tr. 128.

The Commission should rule that PSNH has unlawfully imposed charges for supplier drops in violation of tariff, and expressly preclude PSNH from doing

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<sup>14</sup> Even though the Commission has made clear this docket is not intended to focus on anticompetitive impacts of the Supplier Charges, at minimum this differential marketplace impact is an integral part of the “context” on “competitive issues” that the Commission should consider in reviewing the Supplier Charges. See Tr. 27-28 (Chairman Ignatius).

<sup>15</sup> NAPG welcomes the attention of several Commissioners to this tariff violation and fairness point. See Tr. 60-61, 209-10 (Commissioner Harrington); Tr. 250-54 (Chairman Ignatius).

so in the future (assuming the Commission has not fully eliminated them for the reasons stated in the preceding sections).<sup>16</sup> PSNH also should be required to refund all payments in cases where the supplier did not initiate the service change, pursuant to RSA 365:29 or other authority. See Section V infra.

### **III. ELIMINATING OR REDUCING SUPPLIER CHARGES WILL NOT INCREASE DISTRIBUTION RATES.**

Despite PSNH statements that suggest a contrary conclusion,<sup>17</sup> eliminating Supplier Charges will have no current impacts on distribution rates:

- Under the 2009 rate case settlement, \$16,653 in supplier charge payments are incorporated into current annual distribution rates (Tr.147-48, 204);
- Supplier payments in excess of \$16,653 are retained by PSNH every year until PSNH elects to bring its next distribution rate case (likely in 2016 or even later) (Tr. 155-56)(Goodwin testimony that PSNH would initiate a new rate case “a year or two after” the 2015 end of the current settlement) or until some party successfully invokes the exogenous events provision of 2009 rate case settlement (Exh. 5) and Tr. 246-47; and
- PSNH is not “crediting” current Supplier Charge payments for future ratemaking purposes (Tr. 203-05); rather, PSNH will set future rates based on the payment levels in a future test year (Tr. 206-07).

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<sup>16</sup> The discussion about what was said by a PSNH witness relative to application of the Selection Charge tariff at a technical session (Tr. 128-33) is relevant to the extent that it shows that PSNH at minimum has not consistently argued that applying a Selection Charge to a “losing” Supplier is permitted by tariff. This undercuts any argument that PSNH has maintained a consistent tariff interpretation that merits extra deference from the Commission.

<sup>17</sup> See, e.g., Exh. 5 (PSNH Testimony at p. 6, lines 10-12): “For ratemaking purposes, the revenues PSNH receives from the charges are credited to PSNH’s distribution revenue requirements, thus decreasing distribution rates.” Only later in the testimony does PSNH clarify that such “crediting” only occurs in connection with a distribution rate case, which is not expected for several years. Id. (at lines 15-17); see Tr. 25-26 (Tschanler); cf., Tr. 62 (Mr. Allegetti’s response to Commissioner Harrington’s question about “what do they [meaning PSNH] do with the funds” – that the funds go towards embedded costs – should be understood to mean that PSNH only credits the funds in that manner commencing in the next rate case).

#### **IV. THE COMMISSION SHOULD NOT PERMIT PSNH TO CHARGE SUPPLIERS MARKET-BASED RATES.**

PSNH has argued that since billing and collections services were available in the competitive market, PSNH should not be required to offer Suppliers such services at regulated rates. Exh. 5 (PSNH direct testimony), pp. 19-20. The Supplier witnesses argued in response that (1) Suppliers are required to use PSNH services if they elect to participate in the consolidated distribution/supply charges, which consumers significantly value, and (2) it would be anti-competitive to have the energy supply business of the monopoly distribution provider be the only market participant able to offer customers a single consolidated bill. E.g., Tr. 17 (Allegretti), 29-30 (Tschanler). Thus, the supplier charges are tied inextricably to a monopoly distribution service and should not be treated by the distribution company as an unregulated competitive service. E.g., Tr. 17-18 (Allegretti).<sup>18</sup> Understandably, PSNH could not offer any real world examples of jurisdictions that had permitted utilities to charge market-based rates for billing, collections or switching services. See Exh. 5 (PSNH direct testimony) passim; Tr. 229. For all these reasons, PSNH's proposal should be rejected.

Alternatively, the Commission should level the playing field by allowing Suppliers to offer its supply customers single-bill consolidated billing that would include PSNH distribution charges. This is technically possible for interested Suppliers. For example, NAPG is undertaking its own consolidated billing effort in the Georgia natural gas market. Tr. 98. Suppliers also offer customers

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<sup>18</sup> As Commissioner Harrington cogently asked the PSNH panel, "how do you have market-based rates for a service that only one company can provide, which is Public Service?" Tr. 213.

consolidated bills in the fully restructured Texas electric market. Tr. 104. The Supplier parties all expressed support for having the ability to single bill. Tr. 98 (Tschamler testimony that “we would welcome a change in that policy”); Tr. 99-100 (accord by other Suppliers).

**V. THE COMMISSION SHOULD REFUND THE EXCESSIVE SUPPLIER CHARGES TO THE MAXIMUM EXTENT PERMITTED BY LAW.**

As shown above, PSNH has imposed unsupported, unjust and unreasonable 1999 vintage supplier charges that had never been brought back for Commission review despite promises and opportunities to do so in three subsequent rate cases (in 2003, 2006 and 2009). Exh. 8; Tr. 140-42. RSA 365:29 provides that on petition or its own motion the Commission may find, following notice and hearing, that an “illegal or unjust discriminatory rate, fare, charge or price” may be repaid to the paying party, with interest. Id. Awards may date back not more than two years from the Commission’s Order of Notice or the date of the Petition seeking relief. Id.

The Suppliers each request that these excessive supplier charges be refunded to the maximum extent permitted by law, in conjunction with eliminating these charges on a going forward basis. RSA 365:29 authorizes the Commission to refund all Supplier Charges back for a two year period dating from the September 27, 2012 PNE Petition or, alternatively, from the November 21, 2012 Order of Notice, plus interest. Such refund should be reduced by the

\$16,653 per year that is incorporated annually into the PSNH distribution rate formula.<sup>19</sup>

### **Conclusion**

NAPG appreciates the Commission's review of the important issues in this docket and requests the relief identified above in the Introduction paragraphs and Argument Sections I-V, as well as additional relief that the Commission considers fair and appropriate.

Respectfully submitted,

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<sup>19</sup> NAPG does not insist that it actually receive the refund award; NAPG is open to Commission or OCA suggestions for public-focused purposes for such an award, such as funding customer education efforts about electric competition. See Exh. 3 (Tschamler direct), p. 15.