

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

**DE 17-113**

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

**Petition for Approval of Energy Service Supply Proposal**

**ORDER OF NOTICE**

On June 28, 2017, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition for approval of its proposal to provide energy service to its customers following the divestiture of its generating facilities consistent with the 2015 PSNH Restructuring and Rate Stabilization Agreement (2015 Agreement). Eversource proposed a new method for developing energy service rates that will be effective January 1, 2018.

Currently, Eversource provides energy service from its generation assets and through supplemental power purchases as approved by the Commission pursuant to RSA 369-B. *See, e.g.* Docket No. DE 16-822. In addition, Eversource offers Rate Alternative Default Energy (Rate ADE) which establishes a method to calculate energy rates for Eversource commercial and industrial customers who return to Eversource energy service after taking energy service from a competitive supplier. *See* Docket No. DE 11-216.

Pursuant to the 2015 Agreement, Eversource will divest its existing electric generating fleet and transition to a competitive power procurement process no later than six months following the final financial closing resulting from divestiture. Under its proposal, every 6 months, Eversource would issue Requests for Proposal (RFPs) for 50% of a one-year power supply requirement and establish fixed rates for a 6-month period, for customers taking energy service under the following rates: Residential Rate R and R-OTOD; General Service Rates G and

G-OTOD, and outdoor lighting Rates OL and EOL (Small Customer Group). Eversource said that this “laddering” approach could result in more stable rates for the Small Customer Group from one six-month period to the next. Eversource also proposes to divide up the solicitations for the Small Customer Class and permit suppliers to bid on 100 MW “tranches” of the power requirements, which could result in multiple suppliers providing the total load required by the Small Customer Group and, presumably lowering the resulting rates. The revenues and costs would be apportioned among those suppliers in relation to the total amount of load they serve within the class.

Under Eversource’s proposal, the Company would issue RFPs for Primary General Service Rate GV, Large General Service Rate LG, Backup Service Rate B, and municipal outdoor lighting customers (Large Customer Group) every six months, and would develop rates that vary from month to month.

Additional elements of Eversource’s proposal are as follows:

- In the RFPs, Eversource would bid for energy, capacity and ancillary energy service costs;
- Eversource would manage its renewable portfolio standard (RPS) requirements outside of the energy service RFP process;
- Rate ADE would be eliminated;
- Energy service over- and under-collections would be reconciled in the energy service rate on an annual basis for rates effective January 1 of each year; and
- Energy service rates would include the cost of energy, RPS compliance, and Eversource’s internal overhead, working capital and uncollectible expense costs.

Finally, if divestiture of generation assets is not completed by the end of 2017, Eversource plans to transition to competitively procured power supply on January 1, 2018. From January 1, 2018 until closing of the sale of its generation assets, Eversource would continue to operate its

generation plants and the costs and revenues from such operations would flow through the stranded cost recovery charge, as would the costs relating to purchase agreements with Independent Power Producers and existing Purchase Power Agreements.

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/2017/17-113.html>.

The filing raises, inter alia, issues related to whether the proposals for the Small Customer and the Large Customer group power requirements are in the public interest and result in just and reasonable rates consistent with RSA 374:2 and are market based consistent with RSA 374-F; whether Eversource appropriately calculates overhead and ancillary energy costs for inclusion in resulting energy service rates; and whether it is in the public interest and consistent with RSA 369-B for Eversource to implement the solicitation and rate setting process before divestiture is completed. 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 Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on August 4, 2017 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

**FURTHER ORDERED**, that, immediately following the Prehearing Conference, Eversource, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition; and it is

**FURTHER ORDERED**, that, pursuant to N.H. Code Admin. Rules Puc 203.12, the Executive Director shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice on the Commission's website no later than July 11, 2017; 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 August 1, 2017, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by 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 August 4, 2017.

By order of the Public Utilities Commission of New Hampshire this eleventh day of July, 2017.



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.