

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

**DE 14-236**

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**

**2015 Stranded Cost Adjustment Charge**

**ORDER OF NOTICE**

On September 15, 2015, Public Service Company of New Hampshire (PSNH) filed a petition to set its Stranded Cost Recovery Charge (SCRC) for effect with services rendered on and after January 1, 2015. In support of its petition, PSNH filed the testimony of Christopher J. Goulding along with related and attachments.

The SCRC recovery mechanism was established pursuant to the Agreement to Settle PSNH Restructuring in Docket No. DE 99-099 (Restructuring Agreement). According to the petition, the Restructuring Agreement defined PSNH's stranded costs and categorized them into three different parts—Part 1, Part 2 and Part 3. The SCRC was established to recover costs for all three Parts. The Restructuring Agreement capped the SCRC at an overall average rate of 3.40 cents per kilowatt-hour (kWh).

PSNH said that Part 3 costs were fully recovered in June 2006. The Restructuring Agreement states that once Part 3 costs are fully recovered, the SCRC will be set on a forecasted basis every six months and will include any over- or under-recoveries of Part 1 and Part 2 stranded costs from the previous period. Part 1, composed of the Rate Reduction Bond (RRB) costs, was fully paid as of May 1, 2013. Part 2 costs are “ongoing” stranded costs consisting primarily of 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 as approved by the Commission.

Pursuant to Order No. 25,681 (June 27, 2014) in Docket No. DE 13-274 (PSNH's 2014 SCRC docket), the Commission approved PSNH's average SCRC rate of negative 0.221 cents per kWh for the period July 1, 2014 through December 31, 2014. Based on the data available at the time of the filing of the instant petition,, PSNH offered its preliminary calculation of an average SCRC rate of 0.104 cents per kWh for service rendered on and after January 1, 2015. PSNH said the estimated increase in the average SCRC rate is due to the termination of a one-time refund of \$13.1 million of Phase II litigation proceeds from the Department of Energy which was returned to customers in the July through December 2014 period. PSNH said that a further related refund of \$1.0 million is included in the filing to reflect the third and final installment of the litigation proceeds. The Company said that it expected to receive the refund in a lump sum in the second half of 2015.

Pursuant to Order No. 25,664 (May 9, 2014), PSNH also included in its calculation of the average SCRC the refund due customers from the Regional Greenhouse Gas Initiative (RGGI) quarterly auctions. PSNH did not, however, include in that calculation auction proceeds related to the December 2014 auction because those proceeds are will not be received until early 2015. PSNH estimated that approximately \$9.1 million in RGGI refunds would be credited to customers in the current calculation of the 2015 SCRC average rate prorated over the 2015 calendar year. PSNH said that it would update its actual 2014 costs and estimates for 2015 and submit a revised estimated SCRC rate prior to the hearing in the docket.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at [www.puc.nh.gov](http://www.puc.nh.gov).

PSNH also filed a petition to set its 2015 energy service rate (Docket No. DE 14-235) on September 15, 2014. The prehearing conference in the instant docket will be held at 9:00 a.m. on October 29, 2014 and the prehearing conference in Docket No. DE 14-235 will follow at 9:30 a.m. A joint technical session on both dockets will follow the conclusion of the prehearing conferences.

The filing raises, inter alia, issues related to whether PSNH's assumptions and estimates of costs and revenues are reasonable and whether the resulting rates are just and reasonable as required by RSA 378:5 and 378:8. 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 October 29, 2014 at 9:00 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, PSNH, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow PSNH to provide any amendments or updates to its filing; and it is

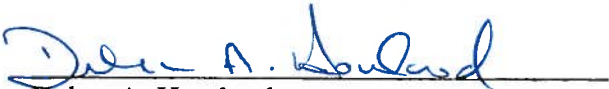
**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, PSNH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of

Notice no later than October 8, 2014, 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 October 27, 2014; 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 PSNH and the Office of the Consumer Advocate on or before October 27, 2014, 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 RSA 541-A:32,I(b); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before October 29, 2014.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of September, 2014.

  
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.

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**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

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**Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.**

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Docket #: 14-236-1      Printed: September 30, 2014

**FILING INSTRUCTIONS:**

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND  
EXEC DIRECTOR  
NHPUC  
21 S. FRUIT ST, SUITE 10  
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.