

STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire d/b/a Eversource Energy

DOCKET NO. DE 09-035
Distribution Service Rate Case

MOTION OF PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A
EVERSOURCE ENERGY FOR APPROVAL OF CONTINUATION OF RELIABILITY
ENHANCEMENT PROGRAM

Pursuant to N.H. Code Admin. Rule Puc 203.07 and Puc 203.20, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) hereby moves for the Commission’s approval of the reconciliation and continuation of Eversource’s Reliability Enhancement Program (“REP”) as called for in the “2015 Public Service Company of New Hampshire Restructuring and Rate Stabilization Agreement” (the “Agreement”) filed contemporaneously with this Motion. In support of this Motion, Eversource states as follows:

1. Eversource’s REP was initially established as part of Docket No. DE 06-028, the Company’s 2006 rate case, to provide targeted funding for enhanced capital and O&M spending intended to improve the reliability of Eversource’s distribution system. The REP was updated and expanded through a settlement agreement in Docket No. DE 09-035, the Company’s 2009 rate case. That settlement agreement was approved by the Commission in Order No. 25,123 (June 28, 2010). Based upon the availability of that funding, the Company has been able to successfully develop and implement plans for specific projects and activities aimed at improving the reliability and resiliency of its distribution system. The targeted funding provided through the REP is scheduled to end on June 30, 2015, coincident with the expiration of Eversource’s settlement agreement in Docket No. DE 09-035.

2. Following extensive negotiations, numerous parties have reached, through the Agreement, an accord on the terms of a comprehensive settlement relating to a variety of issues concerning Eversource's divestiture of its existing electric generating fleet. The Agreement contains, as one of its terms, the following:

E. Distribution Reliability Funding

To continue distribution rate funding for grid reliability, resiliency, and automation expenditures until PSNH's next general distribution rate case, PSNH shall continue its Reliability Enhancement Program ("REP") established in Section 6 of the "Settlement Agreement on Permanent Distribution Service Rates" approved by the Commission in Docket No. DE 09-035.

Distribution reliability funding will continue per the following terms:

1. In June 2015, PSNH shall make a filing with the Commission to reconcile the expenses and revenues relating to REP activities between April 1, 2013 and March 31, 2015 and shall include a forecast of activities for the period April 1, 2015 through June 30, 2016. Any rate change required to reconcile these amounts and account for the forecasted activities shall occur on July 1, 2015, and shall be subject to future reconciliation. As of July 1, 2015, PSNH shall continue to collect the annual revenue necessary to recover the revenue requirements associated with REP capital additions, and provide operations and maintenance spending, as available. In addition, rather than end the funding presently supporting recovery of the 2010 wind storm costs as identified in Section 7.2 of the rate settlement in Docket No. DE 09-035, PSNH shall continue to collect the \$3 million in annual revenue attributable to recovery of costs relating to this storm, but shall redirect such funding to support REP activities. In order to prevent a lapse in the funding for the REP, if PSNH's June 2015 filing has not been acted on prior to July 1, 2015, the Settling Parties support the inclusion of the amounts specified herein in rates on a temporary rate basis as of July 1, 2015, with such temporary rate to continue until receipt of Commission approval of this Agreement, at which time the rate will be reconciled and become a permanent rate.

2. In April 2016 PSNH shall make a filing to reconcile the expenses and revenues relating to REP activities between April 1, 2015 and March 31, 2016 and shall include a forecast of activities for the period April 1, 2016 through June 30, 2017. Any rate change required to reconcile these amounts and account for the forecasted activities shall occur on July 1, 2016, and shall be subject to future reconciliation.

Accordingly, in recognition of the benefits to all of Eversource's customers that arise from the implementation of reliability enhancement measures, the parties to the Agreement have concluded that continued support for the REP is reasonable and appropriate.

3. Therefore, and consistent with the above quoted term of the Agreement, Eversource hereby moves for Commission review and approval of the reconciliation of costs and revenues since the time of its last REP-related rate change in 2013, as had been identified in the settlement agreement in Docket No. DE 09-035 and approved in Order No. 25,123. Eversource also requests, consistent with the Agreement, that the Commission review and approve a rate change on July 1, 2015, on a temporary basis, to account for the reconciliation of past costs and revenues as discussed more fully in the testimony of Christopher J. Goulding, which is included with this motion. Also included with this Motion is the testimony of Russel D. Johnson describing the Company's prior REP activities, the benefits of the REP, and a projection of expected REP activities that would be permitted by the funding identified in the Agreement.

4. As contemplated in the Agreement, Eversource requests that the Commission permit Eversource to implement a distribution rate change on July 1, 2015, on a temporary basis and as described in Mr. Goulding's testimony, to ensure that there is continued and consistent funding for the Company's REP activities. That temporary rate would become a permanent rate upon the Commission's approval of the Agreement. In the alternative, Eversource requests that should the Commission not approve the Agreement, it nonetheless make permanent the rate change relating to the Company's REP in recognition of the benefits the program provides to customers.

WHEREFORE, Eversource respectfully requests that the Commission:

A. Approve the distribution rate change proposed for July 1, 2015, on a temporary basis,

- to provide for the reconciliation of the costs of prior REP investments;
- B. Otherwise review and approve the Agreement as it relates to the REP, the establishment of a permanent rate, and the future reconciliation; or, in the alternative, make other provisions for a permanent rate relating to the REP outside of the Agreement;
- C. Grant such further relief as is just and equitable.

Respectfully submitted,

Public Service Company of New Hampshire d/b/a
Eversource Energy
By Its Attorney

Dated: June 10, 2015

By: 
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CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached Motion to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

June 10, 2015

Date


Matthew J. Fossum