

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

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

**PETITION TO AMEND ASSESSMENT COLLECTION METHOD**

**Docket No. DE 14-XXX**

Pursuant Puc 202.01(a), PART Puc 203, and RSA chapter 363-A, Public Service Company of New Hampshire (“PSNH”) hereby petitions the New Hampshire Public Utilities Commission (“Commission”) for approval of PSNH’s proposed amendments to the manner in which it collects the funds relating to the assessment of expenses by the Commission. In support of this petition, PSNH says the following:

1. In June, 2014, the New Hampshire Legislature passed, and the Governor signed, Senate Bill 324 (“SB 324”) (Laws 2014, Ch. 136) which amended RSA chapter 363-A regarding the manner in which public utilities, and others, are assessed to cover the expenses of the Commission. That legislation both changed the manner in which the Commission assessed public utilities, and the manner in which utilities were required to recover the assessment expense. SB 324 became effective on July 1, 2014 and PSNH received its first invoice under the new assessment method in August, 2014.

2. Under the new assessment method, once the Commission determines the amount of its expenses it apportions those expenses out to public utilities and certain competitive energy providers according to a prescribed formula, and after subtracting certain amounts paid by the competitive energy providers. The public utilities, once assessed, are required to pay both their own assessments, and are also required to collect and remit to the Commission assessments amounts that would otherwise be paid by competitive providers according to the formula.

3. Historically, PSNH has divided the amount of its assessment expense among its various business segments and collected the expense through charges specific to those

segments. Therefore, a portion of the expense was recovered in PSNH's base distribution rates, a portion in its energy service rates, and a portion in its transmission rates. Pursuant to the newly-enacted RSA 363-A:6, I, however, the entire assessment amount (except for \$10,000 which is to remain in the energy service rate calculation) is now to be collected through distribution rates. Specifically, the statute provides:

Assessment amounts determined with reference to the revenues of competitive electric power suppliers and all assessments against regulated electric distribution utilities and electric cooperatives for which a certificate of deregulation is on file with the commission shall be collected from electric customers through the distribution rates of the respective electric distribution utility or rural electric cooperative for which a certificate of deregulation is on file with the commission; provided that an amount equal to the amount assessed directly to a competitive electric power supplier under RSA 363-A:2, III shall be collected from the energy service or default service customers of each electric distribution utility or rural electric cooperative for which a certificate of deregulation is on file with the commission.

RSA 363-A:6, I. Accordingly, to comply with the law PSNH must amend its distribution rate to recover all assessed amounts through that rate. By this petition, and as described in the included testimony of Christopher J. Goulding, PSNH identifies the amount of the assessment currently included in the energy service and transmission rates that must now be included in the base distribution rate. Also included with this petition are supporting schedules showing the calculation of the adjustment to the base distribution rate necessary to accomplish the requirements of the statute.

4. PSNH further notes that to comply with the statute, in its presently-pending energy service rate setting docket, Docket No. DE 14-235, the assessment amount has already been removed, with the exception of the required \$10,000 amount. Further, PSNH intends to both amend and reconcile the amount of the assessment in its transmission rates through its Transmission Cost Adjustment Mechanism filing in mid-2015. Accordingly, this filing is intended only to adjust the base distribution rates to comply with the law. PSNH is requesting that it be permitted to make the necessary adjustment effective January 1, 2015 at the time of other proposed rate adjustments.

5. In addition to requiring that the assessment be applied to the base distribution rate, SB 324 states that:

The commission shall by order establish rate recovery mechanisms for any public utility that is not either an excepted local exchange carrier, as defined in RSA 362:7, I(c), or a rural electric cooperative for which a certificate of deregulation is on file with the commission. Such rate recovery mechanisms shall adjust annually to recover any change in a utility's annual assessment.

RSA 363-A:6, III. Accordingly, PSNH is requesting that the Commission establish a rate recovery mechanism for PSNH. PSNH notes that it does not presently have a reconciling mechanism separate from the base distribution rate through which the assessment could be adjusted, and does not propose to establish one at this time. PSNH may, in a future rate case proceeding, seek to establish such a mechanism for the assessment costs, and other appropriate costs, to permit more efficient reconciliation of such costs. At present, PSNH is proposing only that the mechanism permit PSNH to adjust its base distribution rates as may be necessary to accommodate changes in the assessment amount over time.

WHEREFORE, PSNH respectfully requests that the Commission:

1. GRANT PSNH's request to amend its distribution rates and establish a reconciling process as required by SB 324 and as described; and
2. GRANT such further relief as may be just and equitable.

Respectfully submitted this 3rd day of December, 2014.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**

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