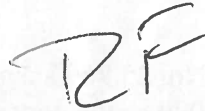


STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: March 31, 2016
AT (OFFICE): NHPUC



FROM: Rich Chagnon, Utility Analyst – Electric Division

SUBJECT: Docket Nos. DE 08-135 and DE 15-089
Public Service of New Hampshire d/b/a Eversource Energy
Line Extension Policy
Staff Recommendation Regarding Request for Waiver

TO: Debra A. Howland, Executive Director
Chairman Martin P. Honigberg
Commissioner Robert R. Scott
Commissioner Kathryn M. Bailey
Tom Frantz, Director – Electric Division
Amanda O. Noonan, Director – Consumer Services & External Affairs

Summary

On February 26, 2016, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) requested that the Commission waive the requirement for Eversource to make the annual line extension filings in Docket No. DE 15-089 until Docket No. IR 14-190 is concluded. Eversource submitted that granting such a waiver will be administratively efficient because it will avoid the need to compile and file unnecessary information, and it will avoid the need for the Commission and Staff to respond to Eversource's submissions.

Staff supports the request to waive the requirement for Eversource to make the annual line extension filings.

Background

On September 18, 2009 in Docket No. DE 08-135, a settlement agreement relating to the line extension policy of Eversource was filed with the Commission. That policy was approved in Order No. 25,046 (November 20, 2009). Under that policy, Eversource was to phase-in, over a three-year period ending March 31, 2013, new line extension charges based upon a specified cost per foot. After the phase-in period, Eversource was to

calculate the cost per foot that would apply to line extensions pursuant to an approved formula, and would make an annual filing to update the line extension rates based upon that calculation.

On February 25, 2015, Eversource made the required annual tariff filing to update its line extension rates. At the time, the Commission had a pending docket, Docket No. IR 14-190, in which the line extension rates and policies of all of the state's electric utilities were being investigated.

On March 26, 2015, the Commission issued Order No. 25,769 suspending Eversource's proposed tariff and designating Docket No. DE 15-089 as the new docket number applicable to Eversource line extension tariff filings.

On June 19, 2015, Staff filed a recommendation in Docket No. DE 15-089 requesting that the Commission reject Eversource's tariff in light of the ongoing investigation in Docket No. IR 14-190.

On June 25, 2015, the Commission issued Order No. 25,796 rejecting Eversource's tariff. In its Order, the Commission stated *"We appreciate that the Eversource filing was made pursuant to an approved Settlement Agreement; however, we find it would not be in the public interest to allow Eversource to change customer costs for line extension construction at this time, given the ongoing investigation in Docket No. IR 14-190. Therefore, we deny the authority of Eversource to implement the proposed cost changes contained in the tariff it supplied with its February 25th filing."* Order No. 25,796 at 2. Docket No. IR 14-190 has not yet concluded.

On February 26, 2016 through consultation with Staff, Eversource requested that the Commission waive the requirement for Eversource to make the annual line extension filings in Docket No. DE 15-089 until Docket No. IR 14-190 is concluded.

The Company points out that pursuant to the requirements from Docket No. DE 08-135, and now Docket No. DE 15-089, Eversource would be required to continue to make new annual filings with the Commission relating to its line extension rates. Eversource submitted that "in light of the Commission's determination in Order No. 25,796 that amending the rates would be contrary to the public interest given the ongoing investigation in Docket No. IR 14-190, it is Eversource's assessment that the Commission would likewise reject any new such submissions."

Eversource submitted that granting such a waiver will be administratively efficient because it will avoid the need to compile and file unnecessary information, and it will avoid the need for the Commission and Staff to respond to Eversource's submissions.

Recommendation

Staff recommends that the Commission waive the requirement for Eversource to make the annual line extension filings in Docket No. DE 15-089.