

STATE OF NEW HAMPSHIRE  
before the  
PUBLIC UTILITIES COMMISSION

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

Docket No. DE 17-\_\_\_

**PETITION FOR APPROVAL OF ENERGY SERVICE SUPPLY PROPOSAL**

Pursuant to N.H. Code Admin. Rule Puc 202.01 and Puc 203.06, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “the Company”) hereby petitions the Commission for approval of its proposal for providing default Energy Service (“ES”) to its customers following the divestiture of its generating facilities consistent with the 2015 PSNH Restructuring and Rate Stabilization Agreement (the “2015 Agreement”).

Eversource is proposing a new method of providing ES that would result in new ES rates being effective on January 1, 2018 and requests that the Commission approve this new method in sufficient time to permit the contracting necessary to implement the new rates at that time. In support of this Petition, Eversource states as follows:

1. Presently, Eversource provides ES to customers who do not, or cannot, use competitively supplied energy. Eversource does so by providing ES from its generation assets and, if necessary, through supplemental power purchases in a manner approved by the Commission. Further, by law the price of Eversource’s ES is its actual, prudent, and reasonable costs of providing power, as approved by the Commission. Consistent with the requirements of RSA chapters 369-B and 374-F.

2. On June 10, 2015, and following extensive negotiations, Eversource and numerous other parties filed the 2015 Agreement, which was approved by the Commission along

with a related litigation settlement in Order No. 25,920 (July 1, 2016). Relevant to this petition, the 2015 Agreement provides, at lines 294-302:

Default Service will provide a safety net and assure universal access for customers who do not receive energy from a Competitive Supplier. Default Service shall be acquired and provided in accordance with RSA Chapter 369-B until divestiture of PSNH's generating assets. No later than six months after the final financial closing resulting from the divestiture of PSNH's generating assets, PSNH will transition to a competitive procurement process for default service. The competitive process utilized shall be consistent with the process determined by the Commission in its Docket No. IR 14-338, "Review of Default Service Procurement Processes for Electric Distribution Utilities," as may subsequently be modified by the Commission.

Consistent with this provision, Eversource is seeking the Commission's approval of its proposal for procuring and providing ES to customers on a competitive basis.

3. As specified in the accompanying testimony of James Shuckerow, Frederick White, and Christopher Goulding, Eversource is proposing to implement a new ES system with two customer groups, a small customer group of residential and small commercial customers, and a large customer group of large commercial and industrial customers. The procurements for supply for all customers would occur on a semi-annual basis. For the small group, those customers would see little change in how their rates are set – they would continue to receive a flat ES rate that is adjusted on a semi-annual basis in January and July, just as they experience today. The larger customers would move to a monthly varying rate, similar to the practice of other New Hampshire utilities. For some of these large customers, the new system will be consistent with their current experience, and for others it will represent a change. Eversource is taking steps to ensure all customers will understand the potential impacts of the new ES method.

4. Additionally, to mitigate the potential for volatile rates, for the small customer group Eversource is proposing a ladder approach to procurements. Procuring portions of the supply at varying times, and providing customers a blended rate comprised of multiple

procurements, will help ensure that there will not be substantial and unpredictable swings in rates. In this way, the ES rate will provide customers a stable, predictable, and understandable rate against which they may meaningfully compare their options in the marketplace.

5. Additionally, and as set out in the testimony, Eversource clarifies how it would address the various requirements that would attend the transfer to competitive procurement, such as: Renewable Portfolio Standard compliance; Eversource's existing power purchase agreements; and rate reconciliation. Moreover, Eversource addresses the interplay between this process and the on-going divestiture process and how each will accommodate the other. In all, Eversource is prepared for an efficient and effective transfer to the competitive procurement of ES, and Eversource is committed to a smooth transfer for customers to the new rate system. Eversource is, therefore, requesting that the Commission approve Eversource's proposed method of procuring and providing ES in sufficient time to allow for Eversource to bring the contracting process in the marketplace and have the new rates in effect for January 1, 2018.

WHEREFORE, Eversource's respectfully requests that the Commission:

- A. Approve Eversource's proposed ES procurement and implementation proposal in sufficient time to permit Eversource to contract for supply to begin on January 1, 2018; and
- B. 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

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By: 

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