

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

DOCKET NO. 17-XXX

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

Technical Statement of
Kenneth Millerd

November 1, 2017

A. Purpose of Technical Statement

This technical statement is being provided in accordance with the requirements of New Hampshire Code of Administrative Rules, Chapter Puc 1605.02. The statement will describe revised tariff language that Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) believes will properly address a recent development in the delayed processing of customer payments where an amendment to the Company’s tariff is appropriate.

B. Background

Over the last several months Eversource customers have experienced delays in the posting of their mailed payments. Eversource’s research confirms that the average time for mailed payments to reach Eversource’s payment processing site in Dallas, Texas and be posted to customer accounts has increased from 3-5 business days, to 7-10 business days, with some payments taking as long as 21 business days to post. The delay is primarily caused by the U.S. Postal Service (“USPS”), since nationwide it is shifting resources to focus on same-day, next-day and Sunday deliveries, while also consolidating USPS facilities to cut costs. These changes have resulted in a 37% reduction in USPS 3-day mail delivery nationwide.¹

Eversource has taken steps to improve the timeliness of payment processing and improve customer satisfaction. For example, messaging has been prominently placed on customer bills emphasizing the need for customers to allow 7-10 business days for their payment to reach our processing center in Dallas, TX. In addition, Eversource issued a Request for Proposals (RFP) for a new vendor site that will be geographically closer to the Company’s service territory. Eversource anticipates that geographical proximity will decrease the average time for mailed

¹ See <http://www.linns.com/news/postal-updates/2016/september/usps-inspector-general-report-delayed-mail-increases.html>.

payments to reach our processing center. Eversource expects a new vendor to begin processing payments sometime in the second quarter 2018.

Presently, Eversource's tariff provides that:

For Customers rendered Delivery Service under Primary General Delivery Service Rate GV or Large General Delivery Service Rate LG or Backup Delivery Service Rate B, all amounts previously billed but remaining unpaid after the due date printed on the bill shall be subject to a late payment charge of one and one-half percent (1 ½ %) thereof, such amounts to include any prior unpaid late payment charges. For all other Customers, all amounts previously billed but remaining unpaid after the due date printed on the bill shall be subject to a late payment charge of one percent (1%) thereof, such amounts to include any prior unpaid late payment charges.

Terms and Conditions, Original Page 23 of tariff NHPUC No. 9. Therefore, pursuant to the tariff, a late payment charge "shall" be assessed on any amounts unpaid as of the due date on the bill. By this proposal Eversource requests that the Commission approve an amendment to the terms and conditions of Eversource's tariff to extend the timetable for assessing late payment charges from the due date on the bill to five (5) days after the due date, as an additional measure to minimize customer impact resulting from the payment processing delays caused by the USPS. This change is anticipated to avoid unnecessary late payment charges being assessed on customers who would otherwise have paid their bills on time.

C. Impact of the tariff revision on Eversource revenues

Eversource does not expect a significant impact to the revenue collected from the assessment of late payment charges as the customers being targeted are those who would otherwise have paid bills in a timely manner. Moreover, late payment charges are not, in general, a significant source of revenue for Eversource, and thus a change in the timing of assessment will have only minimal impact on revenue. Although this change may result in some late paying customers avoiding late payment charges that would otherwise have been assessed, Eversource considers the potential revenue impact to be immaterial.

D. Revised Tariff Pages

Eversource has enclosed a revised tariff page, in both clean and "black-lined" versions, incorporating the revised terms as described above. Eversource requests that the Commission allow the tariff page to become effective on December 1, 2017, or a later date as ordered by the Commission.