

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

DE 18-049

PUBLIC SERVICE CO. OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Investigation of Rate Effects of Corporate Tax Reductions

ORDER OF NOTICE

On March 30, 2018, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a response to Commission Order No. 26,096 (January 3, 2018) that opened an investigation to determine rate effects of recently-enacted reductions to federal and state corporate income taxes. Eversource filed a technical statement and supporting attachments to its response.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2018/18-049.html>.

Eversource presented the calculation of its deferred tax liability and its conclusion that the impact of the tax change would be a reduction in customer rates of \$12.281 million on an annual basis, or \$1.023 million per month. Eversource proposed that an adjustment to distribution rates to refund the monthly amount of \$1.023 million, currently deferred as a result of the tax rate changes, be addressed as part of Eversource's next distribution rate review. In that way, Eversource said, the tax changes would be analyzed in conjunction with other changes to its costs and revenues that have occurred since the conclusion of its last rate reviews. Eversource noted that the impact of the tax change relating to items covered by its reliability enhancement program (REP) has been addressed as part of Eversource's most recent REP filing. That filing

was submitted in Docket No. DE 17-196, and approved by the Commission in Order No. 26,112 (March 12, 2018).

Eversource also proposes that the excess deferred income taxes (EDIT) amounts currently deferred be addressed as part of the next distribution rate review. Any changes to address the EDIT should occur only with the changes in the other components of rate base when establishing the overall revenue requirements for rate setting. Eversource said this approach would also avoid single-issue ratemaking. In the filing, Eversource said that it intends to file an application for a distribution rate review in 2018 soon after the completion of the divestiture of its New Hampshire generating facilities.

The filing raises, inter alia, issues related to whether Eversource appropriately calculated the reduction to state and federal corporate income taxes; whether Eversource appropriately calculated the EDIT; and whether it is appropriate to wait for Eversource's next distribution rate case to apply the reduction in taxes to customer rates. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 18, 2018 at 1:30 p.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Eversource, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than June 4, 2018, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before June 14, 2018; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Eversource and the Office of the Consumer Advocate on or before June 14, 2018, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before June 18, 2018.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of May, 2018.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.