

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE 18-057

Statewide Low-Income Electric Assistance Program

REQUEST FOR APPROVAL TO EAP DESIGN CHANGE

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into on February 28, 2020, by Public Service Company of New Hampshire d/b/a Eversource Energy ("Eversource"); Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities ("Liberty"); Unitil Energy Systems, Inc. ("Unitil"); New Hampshire Electric Cooperative, Inc. ("NHEC"); Staff of the New Hampshire Public Utilities Commission ("Staff"); and the Office of the Consumer Advocate ("OCA") (collectively "the Settling Parties"). It is intended to resolve all outstanding issues in this docket with respect to the New Hampshire Public Utilities Commission ("Commission") Order No. 26.132 (May 4, 2018), which required the utilities to implement changes to the Electric Assistance Program (EAP) in order to extend the EAP discount to the competitive energy supply portion of the bill. The outstanding issues in this docket include the utilities' recovery of costs. This Agreement constitutes the recommendation of all Settling Parties.

A hearing in this matter is scheduled for March 4, 2020.

I. INTRODUCTION AND PROCEDURAL HISTORY

The Settling Parties are members of the EAP Advisory Board, which recommended earlier in this docket that the EAP be modified to allow for application of the EAP discount to the competitive energy portion of the bill.

The Commission adopted the Advisory Board's recommended design change in Order No. 26,132, and invited the utilities to submit costs associated with implementing the program design change for recovery from the EAP fund, with identified costs to be reviewed by the Commission for prudence and reasonableness. Order 26,132 at 6.

On May 17, 2019, Eversource and Liberty filed a joint petition for cost recovery. In their initial petition, Eversource sought cost recovery in the amount of \$70,345, and Liberty sought cost recovery in the amount of \$195,666.

Following a prehearing conference and initial technical session on October 23, 2019, Eversource, Liberty, OCA and Staff (collectively "Active Settling Parties") engaged in several rounds of discovery and held two more technical sessions. During the February 6, 2020 technical session, the Active Settling Parties also engaged in settlement discussions and reached a settlement in principle, which has been memorialized in this Agreement.

II. RECOVERY OF COSTS

The Active Settling Parties agree that cost recovery by Eversource and Liberty, as described below, is just and reasonable. The Active Settling Parties unanimously recommend approval of this Agreement by the Commission to reimburse Eversource and Liberty for incremental costs incurred to implement the change to the EAP required by Order 26,132.

A. Eversource

Eversource seeks recovery of \$70,345. The Active Settling Parties agree that Eversource provided all information necessary to support and substantiate the costs for which it seeks recovery and that those costs were prudently incurred for the implementation of the

changes required by Order No. 26,132. Therefore, all Active Settling Parties recommend that Eversource recover its full costs of \$70,345, from the EAP fund.

B. Liberty

Liberty initially identified \$195,666 in total costs for the EAP design changes required by Order 26,132, and requested recovery of that amount. During the course of discovery, Liberty revised its total costs, and request, to \$160,735. In the interests of settlement however, the Active Settling Parties recommend that Liberty recover \$140,000 for implementation of changes required by Order 26,132, and agree those costs were prudently incurred. Active Settling Parties further agree that Liberty will recover the \$140,000 from the EAP fund. If Liberty seeks to recover the difference between \$160,735 and \$140,000, which Liberty states was for additional billing system work performed simultaneously but not associated with the EAP changes, this Agreement shall not be construed to imply agreement by Staff and/or the OCA for recovery of those costs as that matter is more appropriately addressed within the rate case. See attached chart, prepared by Liberty.

C. Unitil and NHEC

Unitil and NHEC do not seek recovery of the incremental costs for the design changes required to extend the EAP discount to the competitive energy supply portion of the bill. Unitil and NHEC did not attend technical sessions and did not participate in discovery.

III. GENERAL PROVISIONS

Each of the Settling Parties agrees to support the terms and conditions contained in this Agreement and understands the Agreement is subject to Commission approval.

The Settling Parties agree that all testimony and supporting documentation, including all data requests and responses, may be admitted as full exhibits for purposes of consideration of this Agreement. Assent to admit all direct testimony and supporting documentation, including data requests and responses regardless of joint preparation, without challenge, does not constitute agreement by the Settling Parties that the content of the written testimony and supporting documentation including data requests and responses, filed on behalf of the other Parties is accurate nor is it indicative of what weight, if any, should be given to the views of any witness.

The Settling Parties shall cooperate in submitting this Agreement promptly to the Commission for approval. The Settling Parties shall request the Commission to consider this Agreement at the scheduled hearing on the merits, to be held March 4, 2020, and if seeking to recover costs, the Settling Parties shall make a witness or witnesses available as necessary to answer questions in support of this Agreement, or provide such support as the Commission requests. The Settling Parties agree to cooperate in good faith in the development of such other information as may be necessary to support and explain the basis of this Agreement and to supplement the record accordingly.

Reflecting the intent of this Agreement, the Settling Parties agree to forego cross-examining witnesses at hearing on March 4, 2020, in this docket, regarding their pre-filed testimony, supporting documentation or data responses. The admission into evidence of any witness's testimony, supporting documentation, or data responses shall not be deemed in any respect to constitute an admission by any party to this Agreement that any allegation or contention in this proceeding is true or false, except that the sworn testimony of any witness, and data responses prepared by any witness, shall constitute an admission by such witness.

This Agreement is expressly conditioned upon the Commission's acceptance of all of its Provisions without change or condition.

If this Agreement is not accepted by the Commission as filed, it shall be deemed to be withdrawn and shall be null and void and without effect, and shall not constitute any part of the record in this proceeding nor be used for any other purpose.

The Settling Parties agree that they shall not oppose this Agreement before any regulatory agencies or courts before which this matter is brought, but shall take all such action as is necessary to secure approval and implementation of the provisions of this Agreement as applicable to that Party.

The Commission's acceptance of this Agreement does not constitute continuing approval of, or precedent regarding, any particular issue under this docket or pertaining to the EAP, but such acceptance does constitute a determination that this Agreement and all provisions are just and reasonable.

This Agreement is the product of confidential settlement negotiations. The content of those settlement negotiations, including any documents prepared during the course of such settlement negotiations for the purposes of reaching settlement, shall be privileged and all offers of settlement shall be without prejudice to the positions of any parties presenting such offer, unless otherwise specified herein.


IN WITNESS WHEREFORE, the Settling Parties recommend that the Commission issue an order approving the terms and conditions of this Agreement in its entirety and have caused this Agreement to be duly executed in each respective name by its agent, each being fully authorized to do so on behalf of the principal.

<u>Expense</u>	<u>Estimate</u>	<u>Actual</u>	<u>Revised</u>	<u>Settlement</u>
Vendor Costs	\$ 133,898	\$ 133,665	\$ 133,665	
Labor - Corporate	\$ 26,265	\$ 35,260	\$ 347*	
Labor - New				
Hampshire	\$ 17,000	\$ 6,515	\$ 6,515	
Contingency	\$ 5,140			
Burdens	\$ -	\$ 18,282	\$ 18,282	
AFDUC	\$ -	\$ 1,944	\$ 1,944	
	\$ 182,303	\$ 195,666	\$ 160,753*	\$ 140,000**

*During the course of reviewing the labor charges from corporate, an invoice was incorrectly charged to this project, resulting in a lower total of \$160,753.

**During settlement discussions, the Company agreed to obtain recovery of \$140,000 through this docket and to seek the remaining \$20,753 in the pending rate case.

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES

By: 
Michael Sheehan, Esq.
Senior Counsel

Date: 2/28/2020

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

By: _____
Matthew Fossum, Esq.
Senior Regulatory Counsel

Date: _____

UNITIL ENERGY SYSTEMS, INC

By: _____
Gary Epler, Esq.
Chief Regulatory Counsel

Date: _____

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

By: _____
Mark Dean, Esq.
General Counsel


Date: _____

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General Counsel

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Michael Sheehan, Esq.
Senior Counsel

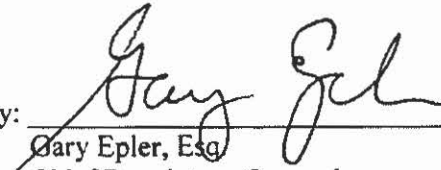
Date: _____

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

By: _____
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Senior Regulatory Counsel

Date: _____

UNITIL ENERGY SYSTEMS, INC

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Gary Epler, Esq.
Chief Regulatory Counsel

Date: 02/28/2020

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

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Mark Dean, Esq.
General Counsel

Date: _____

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Michael Sheehan, Esq.
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY

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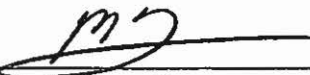
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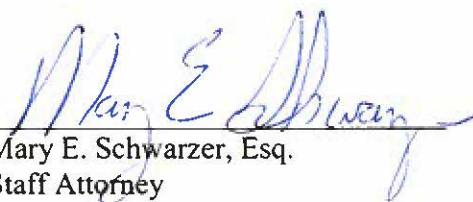
Date: 2/28/20

OFFICE OF THE CONSUMER ADVOCATE

By: 
Christa Shute, Esq.
Staff Attorney

Date: 2/28/20

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION STAFF

By: 
Mary E. Schwarzer, Esq.
Staff Attorney

Date: 2.28.2020