

**STATE OF NEW HAMPSHIRE**  
**before the**  
**PUBLIC UTILITIES COMMISSION**

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

**DOCKET NO. DE 19-057**

**Petition for Temporary Rates**

Pursuant to RSA 378:27 and N.H. Code Admin. Rule Puc 203.06, Public Service Company of New Hampshire d/b/a Eversource Energy ("PSNH" or the "Company") hereby petitions for the Commission to immediately fix, determine and prescribe temporary rates for effect on July 1, 2019 and for the remainder of this rate proceeding. PSNH proposes to put into effect such temporary rates to reflect actual changes to costs incurred and additions to rate base that have taken place since the Company's last general rate review proceeding, Docket No. DE 09-035. In support of this Petition, PSNH says the following:

1. On March 22, 2019, PSNH filed with the Commission a Notice of Intent to File Rate Schedules pursuant to N.H. Code Admin. Rule Puc 1604.05. Included with this petition are the Company's rate schedules, testimony and exhibits in support of an adjustment in temporary distribution service rates. PSNH continues to refine its permanent rate increase request, which will be filed in approximately 30 days.

2. Pursuant to RSA 378:27:

In any proceeding involving the rates of a public utility brought either upon motion of the commission or upon complaint, the commission may, after reasonable notice and hearing, if it be of the opinion that the public interest so requires, immediately fix, determine, and prescribe for the duration of said proceeding reasonable temporary rates; provided, however, that such temporary rates shall be sufficient to yield not less than a reasonable return on the cost of the property of the utility used and useful in the public service less accrued depreciation, as shown by the reports of the utility filed with the commission,

unless there appears to be reasonable ground for questioning the figures in such reports.

3. Unless PSNH's proposed temporary rates are allowed to take effect on July 1, 2019, PSNH's existing permanent rates for distribution will be inadequate to provide recovery of prudently incurred costs plus a reasonable rate of return on installed utility plant currently providing service to customers. Since the last rate case was concluded, PSNH has made substantial investments in distribution plant to provide safe and reliable service to customers. The Company is also proposing to begin collecting through temporary rates the extraordinary expenses associated with storm activity occurring in the last few years, as well as costs associated with changes to the classification of certain vegetation management activities. In this filing, these adjustments are partially offset by income-tax savings derived from the passage of tax reform legislation, taking effect January 1, 2018. The inclusion of the offsetting adjustment mitigates the effect of the temporary rate increase on customer bills, while allowing for the later effective date of permanent rates approved by the Commission.

4. As described in the accompanying testimony of Eric H. Chung and Troy M. Dixon, the most recent reports of PSNH filed with the Commission, Form F-1, show that the Company is earning approximately 7.72 percent return on equity (ROE) on its Distribution segment. These results are more than 20 percent below the 9.67 percent ROE authorized in PSNH's last distribution rate proceeding. *See* Order No. 25,123 (June 28, 2010) at 33-34. As explained in the accompanying testimony of William J. Quinlan and that of Messrs. Chung and Dixon, this inadequate financial return will continue to further degrade, absent temporary rate relief. Hence, the revenues that PSNH receives under the current distribution rates are inadequate to cover operating expenses and to provide a reasonable return on the investment used and useful in the public service.

5. The Commission's analysis of a temporary rate request need not be as exhaustive as a permanent rate request. *See, New England Telephone and Telegraph Co. v. State*, 95 N.H. 515 (1949); cited in *Appeal of the Office of the Consumer Advocate*, 134 N.H. 651, 660 (1991); cited in *Re Hanover Water Works' Company, Inc.*, 91 NH PUC 590, 592 (2006). Even if some questions may exist regarding figures in a temporary rate filing, such questions must be truly significant in order to deny the request for temporary rates. *Re Connecticut Valley Electric*, 81 NH PUC 724, 726 (1996).

6. The proposed effective date for temporary rates, as described in the accompanying testimony of Edward M. Davis, is July 1, 2019. This effective date will be consistent with Commission precedent stating, "temporary rates may not take effect before the date on which the utility files its request for a change in permanent rates; in any event, temporary rates may not be made effective as to services rendered before the date on which the permanent rate request is filed." *Unitil Energy Systems, Inc.*, 91 NH PUC 40, 41 (2006). It also comports with the New Hampshire Supreme Court's decision in *Appeal of Pennichuck Water Works*, 120 N. H. 562, 567 (1980), "[W]e hold that the earliest date on which the PUC can order temporary rates to take effect is the date on which the utility files its underlying request for a change in its permanent rates. In no event may temporary rates be made effective as to services rendered before the date on which the permanent rate request is filed."

**WHEREFORE**, PSNH respectfully requests that the Commission:

- A. Issue an order of notice setting a date for a procedural hearing to establish a limited discovery schedule on PSNH's request for temporary rates;
- B. Conduct a hearing on PSNH's request for temporary rates;

- C. Issue an order approving the Company's requested increase in temporary distribution rates of approximately \$33 million to become effective as temporary rates on July 1, 2019;
- D. Provide for refund or recoupment should the Commission's eventual decision on permanent rates differ from the temporary rate level; and
- E. Order such further relief as may be just and equitable.

Respectfully submitted,

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

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Dated: April 26, 2019

## CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

April 26, 2019

Date

  
Matthew J. Fossum