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

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

## Notice of Intent to File Rate Schedules

## Docket No. DE 19-057

## Technical Statement of Douglas P. Horton, Vice President, Distribution Rates and Regulatory Requirements

Pursuant to RSA 365:37, the Commission is empowered to assess the costs of investigations and proceedings to utilities, and pursuant to RSA 363:38, the Office of Consumer Advocate ("OCA") may likewise assess its costs to utilities. Under RSA 365:38-a, the Commission may allow recovery of costs, including the costs of the Commission Staff and OCA, associated with utility proceedings before the Commission, provided that recovery of costs for utilities and other parties are just and reasonable and in the public interest.

In its initial filing, Public Service Company of New Hampshire d/b/a Eversource Energy ("PSNH" or the "Company") submitted schedules estimating total rate case expense associated with its own external experts and legal counsel. This case required the use of these resources to put forward the Company's proposals and to assist in litigation and settlement because the Company does not maintain staffing for these types of larger scale cases that happen infrequently and that involve novel policy and ratemaking issues. The outside service providers hired by Eversource were procured through a competitive bidding process to assure competitive rates and experience and expertise that would be additive to the Company's own resources. In addition, having the resources available helped the Company to meet all of the case deadlines with substantive content to facilitate the purposes of the proceeding, contributing to the efficient resolution of matters presented. Similar expenses were incurred by the Staff and the OCA during the proceeding.

Throughout the proceeding, the Company submitted required rate case expense updates to the Commission. Through the settlement process, the Company and other parties agreed to include a fixed amount of rate case expense in base rates. The amount of rate-case expense incorporated into the Settlement Agreement is \$2,449,051, or \$489,810, amortized over a five-year period. That amount is shown in the spreadsheet attached to this technical statement, which is an update to Attachment EHC/TMD-1, Schedule EHC/TMD-26 which was provided in the Company's initial filing.

However, final invoices for external service providers used by the Company, the Staff and the OCA have not yet been received. Therefore, the total amount of rate-case expense is not yet determined. Once final invoices are received from all experts, the costs will be subject to thorough and final review and audit by the Commission's audit staff. The amount included in base rates

will then be subject to reconciliation to account for any changes in the amount allowed for recovery.