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Dianne Martin, Chair
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

RE: Docket No. DE 19-057
Public Service Company of New Hampshire d/b/a Eversource Energy
Notice of Intent to File Rate Schedules

Final Report – AMR Retirements

Dear Chair Martin:

On December 15, 2020 the Commission issued Order No. 26,433 approving an October 9, 2020 Settlement Agreement (“Settlement”) in the above-captioned proceeding relating to the rate case filing of Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource,” “PSNH” or the “Company”). Relevant to this filing, Section 3.4 of the Settlement notes that during the course of the proceeding there were questions raised about the accounting and retirement of the Company’s automated meter reading (“AMR”) meters. To address those questions, the Settlement provides:

As a result, the Company, Staff, and the OCA shall continue working collaboratively to verify the accuracy of the accounting for and number of meter retirements. To facilitate this discussion, the Company may elect, either on its own or at the request of Staff or the OCA, to hire an independent accounting firm, at the Company’s cost, to verify the accuracy of the meter plant account 370, and in particular the retirement entries associated with the meters that were removed as part of the AMR deployment. The scope of this work will include an analysis of meters and transactions currently recorded on the Company’s books and records. The independent accounting firm’s work may include some or all of the following tasks: (1) obtain an understanding of the addition, unitization and retirement process by selecting transactions, testing these transactions for certain attributes, and identify their existence in the appropriate asset systems; (2) validate the existence of the meter assets included in rate base through a reconciliation of assets to the respective asset systems (Meter Management System and/or Customer Information System); (3) determine that the cost and unit quantity recorded for each asset included in the fixed asset system is appropriate; and (4) determine the appropriateness of “AMR meter” retirements.

Settlement, Section 3.4, Bates 6-7. Further, the Settlement provided that if the Staff (then Staff of the Commission, now Staff of the Department of Energy) or the OCA continued to have questions after the collaboration specified in the Settlement, they could petition the Commission

for an additional review, so long as any petition was filed by April 30, 2021. Settlement, Section 3.4, Bates 7.

By a letter of April 30, 2021, Eversource described that it was continuing to collaborate with the Staff and OCA on the issues identified in Section 3.4, and that the collective agreement was that continued collaborative review beyond April 30 would be beneficial. The letter also noted that Eversource was retaining an independent accounting firm to conduct the review described in the Settlement.

Following the April 30 letter, Eversource, the Staff and the OCA continued their collaboration along with the independent accounting firm, Ernst & Young, LLP (“EY”), hired to conduct the review. EY’s scope of work included an analysis of meters and transactions recorded on the Company’s books and records, including:

- 1) Obtaining an understanding of the addition, unitization and retirement process by selecting and testing transactions for certain attributes, and identifying their existence in the asset systems;
- 2) Validating the existence of the meter assets included in rate base through a reconciliation of assets to the respective asset systems (Meter Data Management System and Customer Information System);
- 3) Determining that the cost and unit quantity recorded for each asset included in the fixed asset system was appropriate; and
- 4) Reconciling details in the accounting records for AMR activity to applicable filings.

EY issued draft versions of its report which were reviewed with the Staff and OCA in multiple technical sessions. A final version of its report is attached to this letter.

By this letter, Eversource states that the Staff and OCA agree that they are satisfied with EY’s final report and the conclusions within it regarding Eversource’s accounting treatment for AMR meters. Eversource, Staff and the OCA agree that no further Commission action is required or requested with respect to this issue. Eversource thanks the Staff and OCA for their time and review to confirm the matters addressed in this report.

If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Very truly yours,



Matthew J. Fossum
Senior Regulatory Counsel

CC: Service List