

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Docket No. DE 20-170

ELECTRIC DISTRIBUTION UTILITIES

Electric Vehicle Time of Use Rates

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

Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) respectfully requests that the Commission decide whether time of use rates are a reasonable use of Company resources to address the electric vehicle (“EV”) market in New Hampshire as it is now and will be for the near future. RSA 236:133, V(b) directs the Commission to “[c]onsider and determine whether it is appropriate to implement electric vehicle time of day rates for residential and commercial customers” and that “[t]he standards for determination of such implementation shall include consideration [of] whether such implementation would encourage energy conservation, optimal and efficient use of facilities and resources by an electric company, and equitable rates for electric consumers.” The Company understands that this is a matter of some complexity, and generally supports the concept of time of use rates and the application of those rates when the situation calls for it. But it is the Company’s position that EV time of use rates are not presently the most practical or effective solution for customers when those rates are unlikely to be of interest to customers and when lower cost and more effective alternatives are available. Eversource also takes the position that the cost for it to implement such rates would not be an optimal and efficient use of customer-funded utility resources. This position is based on a combination of factors addressed by the witnesses during hearing.

Particularly in regard to a residential time of use rate, aside from the cost to build it into enterprise systems and offer it to customers, the Company's analysis has not shown that even entirely off-peak charging would create savings substantial enough to motivate a customer to install a separate electric service and elect to take the rate. And while there was robust discussion at hearing between the Department of Energy and Eversource witnesses regarding Eversource's customer charge within its rate design and its implications on savings, ultimately the Department's own witness testified in Exhibit 8 at Bates pages 13-14 that Eversource's rate was soundly designed, including the customer charge, leaving no dispute as to Eversource's corresponding savings analysis. Plus, what little information is available in New Hampshire regarding residential time of use rates supports the conclusion that customer enrollment will be low, as Liberty testified that only recently have just three to five customers have engaged in the enrollment for its residential time of use rate offering. Without added value to customers, the unlikelihood of customer enrollment combined with the upfront costs to implement a time of use rate fail to make a sufficiently compelling case for Eversource to recommend the Commission order the Company to implement such a rate for residential customers at this time.

But Eversource is interested in providing added value to its customers that drive electric vehicles and suggests that if the Commission were to direct the Company to employ an immediate offering to serve EV customers, that it consider the Company's managed charging proposal. Load management techniques are also listed in RSA 236:133, V(a) as an option the Commission should consider for appropriateness to address the EV market, and managed charging is one such load management technique that can achieve the same policy goal of shifting demand away from peak periods on the electric grid while providing tangible savings for customers that enroll in the program. Additionally, the Commission has recognized in Order No.

26,394 that load management can provide near-term customer benefits without installation of metering infrastructure and other associated upgrades and, for that reason, found it to be an appropriate strategy for electric vehicle rate design. Eversource's proposed managed charging program is modeled off of already successful programs adopted by the regulatory authorities in both Massachusetts and Connecticut. This option could be deployed almost immediately and Eversource believes it would be more effective and a more appropriate solution for the Company to offer EV customers at this time.

As far as time of use rates for commercial applications are concerned, Eversource likewise does not recommend that the Commission direct the Company to adopt the commercial time of use rates being proposed in this docket. But as an initial matter, I'd like to make clear that Evesource has been compliant with Order No. 26,394—any assertion to the contrary is in error. While Order No. 26,394 on page 18 found electric vehicle time of use rates to be “an appropriate rate design for residential and commercial customers”, all it actually ordered in relation to those rates was the opening of this docket for consideration of “various proposals” from the utilities. It did not directly order the utilities to file both residential and commercial time of use rates, nor did it prohibit the utilities from proposing alternative EV rate designs. Eversource provided “various proposals”, consistent with the Order—those proposals being its residential time of use rate and managed charging program.

In contrast, as Mr. Davis referenced in direct examination, Eversource did have a specific mandate in Section 16.1 of the settlement from its most recent distribution rate case (Docket No. DE 19-057) to develop a demand charge alternative rate that would largely serve the same purpose as a commercial time of use rate, but that would be tailored to address demand charges in the rate design. Demand charges are listed in RSA 236:133, V(a) as an element to be

considered on par with the appropriateness of time of use rates. What's more, the EV Charging Infrastructure Commission created by SB 517 identified demand charges as a barrier to EV market development that needs to be addressed, but remained silent as to commercial applications of EV time of use rates.

The Company developed a demand charge alternative rate consistent with the direction of the rate case settlement agreement and these legislative authorities on the issue and filed it in April 2021 as required by the settlement, along with a petition requesting that a separate docket be opened for its consideration, also directed by the settlement. It made no sense for Eversource to then develop a second rate to be submitted two months later in a separate docket, effectively creating a redundant effort for the Commission, the Company and the parties to the dockets. As further evidence of the appropriateness of Eversource's demand charge alternative rate proposal for meeting the intended objectives of Order 26,394, both the Department of Energy and the Company raised the issue of moving Eversource's demand charge alternative to this docket for consideration. The Commission determined that it should stay in the original docket of 21-078, for separate consideration along with Eversource's EV make-ready infrastructure proposal that was designed and submitted to be considered in conjunction with the demand charge alternative rate design. But the fact that the demand charge alternative remains in a separate docket does not make it any less appropriate for satisfying the purpose of a commercial EV rate.

Eversource's approach to providing a commercial EV charging rate design was consistent with all authorities on the matter: RSA 236:133, V(a), Order 26,394, the Eversource rate case settlement from Docket No. DE 19-057, and the needs identified by the SB 517 Commission. As to the merits of a commercial EV time of use rate, the Company cannot recommend this as an appropriate solution for the market at this time. Eversource maintains its support of its proposed

demand charge alternative rate in Docket No. DE 21-078 as a more suitable offering to meet the needs identified by the SB 517 Commission, by stakeholders as reflected in comments to the settlement agreement in this docket, and the EV market, and ultimately to overcome barriers to EV charging infrastructure development throughout the state. Eversource appreciates the Commission's consideration of the Company's position on these issues.