STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 21-078

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Petition for Approval of Electric Vehicle Make-Ready and Demand Charge Alternative Proposals

Order On Rehearing

ORDER NO. 26,738

December 1, 2022

This order clarifies Order No. 26,667 regarding the regulatory treatment of Eversource's electric vehicle (EV) make-ready program as proposed in this docket.

I. BACKGROUND

On September 14, 2022, Public Service Company of New Hampshire d/b/a
Eversource Energy (Eversource), the New Hampshire Department of Energy (DOE), the
New Hampshire Department of Environmental Services (DES), the Office of the
Consumer Advocate (OCA), Clean Energy New Hampshire (CENH), and the
Conservation Law Foundation (CLF), (collectively, Moving Parties) jointly filed a Motion
for Rehearing of Order No. 26,667 (Motion) issued by the Commission on August 15,
2022.

The Motion and associated docket filings are posted on the Commission's website at https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-078.html.

In their Motion, the Moving Parties argue against what they characterize as "...a de facto \$650,000 cap on any capital investments made in connection with the \$2.1 million [EV] Make-Ready Program, by restricting capital investments eligible for a rate of return." Motion at 4. The Moving Parties assert "...setting the limit a \$650,000 is arbitrary and contradicted by record evidence." *Id.* They further assert the operation of

this "cap" implicates an unconstitutional deprivation of Eversource's property and associated right to earn a return of capital investments, is "arbitrary and capricious," and contradicts "...the unanimous positions of the settling parties on the record." *Id.* at 5-9.

The language in question from Order No. 26,667 is on Page 10 of the order:

On filing of the next Eversource full distribution rate case, the Company may seek recovery of the Make-Ready Program cost regulatory asset, with up to \$650,000 in capital expenditures being eligible for Eversource's allowed return on capital, for inclusion into rates via Commission approval. The Commission does not restrict the Company's use of the \$2.1 million recovery to a specific portion of behind the meter or in front of the meter investment, or capital or expense expenditures, but on balance limits the Company's return on capital expenditures based on the Make-Ready program estimates provided in Hearings Exhibits 2 and 9.

Additionally, an ordering clause states, "...Eversource may expend up to \$2,100,000 for the EV Make-Ready program discussed herein, with this amount to be accounted for in a regulatory asset, recoverable by Eversource in its next full distribution rate case, with up to \$650,000 in capital expenditures being eligible for Eversource's return on capital after approval in the next rate case..." Order No. 26,667 at 10 and 11.

On September 28, 2022, the Commission issued Order No. 26,690, granting the Moving Parties' Motion, scheduling a rehearing for October 24, 2022, and clarifying an issue related to the effective date of Eversource's EV tariff.

The Commission held the rehearing on October 24, and representatives of all the Moving Parties appeared. In general, the Moving Parties supported the arguments presented in their Motion; namely, that the Commission's language presented in Order No. 26,667 constituted a "cap" on Eversource's capital spending for its EV program of \$650,000. See Transcript of October 24, 2022 Rehearing (Tr.), passim; Tr. at 12-16.

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II. COMMISSION ANALYSIS

Having heard the arguments presented by the Moving Parties, we clarify Order No. 26,667 relating to capital spending by Eversource for its EV program.

The Commission's intent was to establish a framework to guide Eversource in its expenditure of up to \$2.1 million in ratepayer funds, to ensure that these funds were being spent wisely. In the record, the Moving Parties presented \$650,000 as the estimated capital spending for the program. The Commission accepted this figure and indicated in Order No. 26,667 that this was a reasonable expectation of EV makeready capital investment for future prudency reviews.

The Commission will carefully scrutinize all investments made by Eversource within its EV Make-Ready program to ensure such investments are used, useful, and prudently incurred. We clarify here that while approximately \$650,000 in capital expenditures are expected within the EV make-ready program, any and all qualifying capital investments made by Eversource as part of this EV make-ready program that are found used, useful, and prudent shall be eligible for Eversource's allowed return on capital to the extent permitted under New Hampshire law.

Based upon the foregoing, it is hereby

ORDERED, that Order No. 26,667 is CLARIFIED pursuant to the terms of this Order.

By order of the Public Utilities Commission of New Hampshire this first day of December, 2022.

Daniel C. Goldner Chairman Pradip K. Chattopadhyay Commissioner Carleton B. Simpson Commissioner

Service List - Docket Related

Docket#: 21-078

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