

## DRM 21-142

### Petition for Rulemaking to Implement RSA 53-E for Community Power Aggregations by Stakeholders

#### Comments of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty; Public Service Company of New Hampshire d/b/a Eversource Energy; and Unil Energy Systems, Inc.

##### I. INTRODUCTION

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities; Public Service Company of New Hampshire d/b/a Eversource Energy; and Unil Energy Systems, Inc. (collectively, “the NH Utilities”) provide their opening public comments on the Commission’s proposed rules for municipal aggregation, PART Puc 2200 (“Initial Proposal”). Initially, the NH Utilities note that they are generally supportive of the intent of aggregation as expressed by the New Hampshire General Court in RSA 53-E:1, which is:

to provide such customers access to competitive markets for supplies of electricity and related energy services. The general court finds that aggregation may provide small customers with similar opportunities to those available to larger customers in obtaining lower electric costs, reliable service, and secure energy supplies. The purpose of aggregation shall be to encourage voluntary, *cost effective* and innovative solutions to local needs with careful consideration of local conditions and opportunities.

RSA 53-E:1 (emphasis added). Electric customers of all sizes and types should have appropriate access to competitively priced electricity, and the reasoned development of municipal aggregations may well provide such access in certain circumstances. Additionally, the NH Utilities state their appreciation for the considerable efforts stakeholders have already invested into developing the rules being considered by the Commission for adoption.

Further, municipal aggregation has been successfully implemented in other states, notably Massachusetts, for years. Some of the NH Utilities have substantial experience interacting with and supporting those aggregations and seek to bring that long-established expertise to the deployment of aggregations in New Hampshire.

Based in part on this extensive expertise, the NH Utilities have reviewed the rules proposed by the Community Power Coalition of New Hampshire and which the Commission has elected to use as its Initial Proposal in this proceeding. The enclosed comments are intended to assure that the rules adopted by the Commission will provide for efficient, cost-effective, and near-term deployment of aggregation in New Hampshire. The NH Utilities caution against adopting rules that will, no matter how well intentioned, cause substantial delay, cost, and controversy in the development of aggregation in New Hampshire.

## **II. GENERAL COMMENTS AND PROPOSALS**

While the NH Utilities support the goal and intent of aggregation, there are certain provisions within the Initial Proposal that are either unworkable, or that would be unduly expensive and time-consuming for all of the NH Utilities to implement if adopted as proposed. The items of particular concern are outlined here, but there are additional comments included within the attached redlined version of the rules with corresponding comments to which the NH Utilities request the Commission's attention.

1. In numerous places – Puc 2202.02, 2203.02(b), 2203.02(e), 2204.02(d) – there are proposed rules relating to the creation, compilation, and provision of customer data, including requirements for anonymizing that data. Through an extensive, 18-month stakeholder process in Docket No. DE 19-197, the NH Utilities and diverse others including individuals that comprise the Community Power Coalition of New Hampshire reached an agreed upon consensus for providing anonymized customer information for presentation in an online data platform. On March 2, 2022, the Commission issued Order No. 26,589 approving that settlement agreement with no proposed changes or conditions related to how creating, providing and anonymizing customer information should be addressed.

The Initial Proposal, however, strays from the standards put forth in the approved settlement agreement in Docket No. DE 19-197. The differences proposed invite a variety of concerns including the possibility that the NH Utilities may be required to comply with multiple standards creating redundant efforts for anonymizing data should the data platform be implemented. Even if the platform is not adopted, to have a rule that strays from the standard agreed to by a broad group of stakeholders, including those who made the Initial Proposal, would seem to set a precedent that stakeholders can make an “end run” around standards adopted by broad consensus. The Commission should assure that its rules align with the standards agreed upon for the data platform, both in terms of the actual data to be provided and the manner in which it is secured and exchanged.

Furthermore, the NH Utilities acknowledge that RSA 363:37 and 363:38 include municipal aggregations as “service providers” who have certain rights and obligations relating to personally identifiable and sensitive customer information. The NH Utilities caution against establishing systems or processes that would lead to unnecessary, redundant, or overly broad dissemination of this sensitive information. The more this sensitive data is transmitted, held and used by service providers and any authorized third parties with which they interact, the greater chance of breach or misuse of that data. The NH Utilities acknowledge that certain data is essential to municipal aggregation operations. However, the NH Utilities respectfully recommend that the Commission exercise due care and caution regarding the

dissemination of non-essential, sensitive or personally identifiable customer information by, in part, providing specific and defined standards and methods for the collection and sharing of that information.

2. The requests for individual customer information in the Initial Proposal – particularly as proposed in Puc 2205.13 – are unreasonable and unnecessary. Moreover, in addition to the information being unnecessary for the implementation of aggregations, much of the requested information is not readily available through the systems of the NH Utilities and it would require extensive, costly, and time-consuming adjustments to systems to make the information available. As noted in the opening to these comments, the NH Utilities have extensive experience supporting aggregations, and at no point in supporting those aggregations has the level of information requested in the Initial Proposal been necessary for those aggregations to launch and successfully develop.

To address this issue, the NH Utilities propose a Core Functionality Approach (“CFA”) that will get a solution for aggregation in place in the shortest amount of time and that will be financially responsible. While many customers may join aggregations, it is possible, particularly in the shorter term, that the majority will not. The CFA will assure that customers of all kinds, whether in an aggregation or not, will not bear unnecessary costs to support the successful implementation of the aggregations. The CFA will also consider appropriate means to collect and provide relevant customer data and avoid exposing information that is not needed for a successful aggregation program. For added clarity, the comments in the redlined version of the rules attached to these comments note what is or is not included with the NH Utilities’ CFA, to the extent such information is known at this time.

In that the Initial Proposal provides for different reports of information at different points in an aggregation’s life cycle, the NH Utilities provide the below descriptions of what a CFA would provide:

**Report 1 - Puc 2203.02 – Request for aggregate usage from utility.**

- 12 months of historical usage for each rate class, sorted by whether they are taking competitive service or default service for each month.
- Count of customers in each rate class, sorted by competitive service or default service for each month.
- Current count of Net Energy Metering customers in each rate class, sorted by whether they are taking competitive service or default service.
- Current count of residential customers that participate in electric assistance programs, sorted by competitive supply or default service.

**Report 2** – Puc 2204.02 - Request for anonymized customer specific data information from utilities once PUC has approved a plan.

- Individual customers' rate class
- Individual ICAP tags for current capacity year.
- 12 months of usage data
- Meter reading cycle for each customer
- Whether the customer Net Meters

**Report 3** – Puc 2204.03 – Request for names, addresses, and account numbers of all customers for enrollment.

- Name and Mailing Address of each customer
- Utility account number
- Meter number
- Rate Class
- Name Key

**Report 4** – Puc 2205.05 – New utility customers for existing aggregation.

- Customer Name
- Utility Account Number
- Mailing Address
- Name Key

The information noted for these reports is consistent with the information provided by utilities to aggregations operating in Massachusetts, and could be implemented in New Hampshire at relatively low cost and in a relatively short time. Items beyond the above as identified in proposed Puc 2205.13 do not appear to be necessary for implementation. Further, in the interest of providing some additional perspective, Eversource and Unitil are reviewing high-level estimates for the CFA and may be able to provide those in the near future if desired. Liberty, due to its new SAP system to be implemented later in 2022, would be custom building any processes including the CFA from scratch, and therefore cannot provide a cost estimate until more is known about the final solution.

To the extent that stakeholders insist upon additional information, and to the extent the Commission requires that additional information through its rules, the costs will rise beyond that of the CFA and substantial additional time will be required to implement the changes. Furthermore, to the extent that implementation may require adjustments to current EDI standards and protocols, it will require convening the EDI working group to assure that any changes would be enacted properly. That process would likely result in substantial delays. The CFA approach proposed above would not require changes to current EDI requirements.

Lastly, as implementation costs are likely to be recovered by all customers – unless the Commission orders some other cost recovery method – the NH Utilities are concerned that requiring the level of information sought in the proposed rules could result in customers outside of the aggregations shouldering substantial costs while receiving no benefits from aggregations. Such a result risks potential unjust subsidization of aggregations by those not included in them.

3. The current provisions pertaining to the development of interval metering information in Puc 2205.14 should be pared back as described in the attached comments of the redlined copy of the Initial Proposal. While it may be that individual aggregations will, at some point, desire additional interval metering information, and while the law does provide a means for requesting that metering information, the proposed rule goes too far in describing how costs will be shared or allocated. The NH Utilities should not be required to bear costs as they are specified in the proposed rule, but rather should have the ability to demonstrate that a proposed cost is or is not reasonable when or if a proposal comes forward. The rule should not be used as a means to commit the NH Utilities to expend funds, possibly unreasonably, for the benefit of particular aggregations before any proposal is ever made.
4. The provisions on billing in 2205.16 are problematic for the NH Utilities. As an initial matter, the language in 2205.16(a) and (d) appears to demonstrate a fundamental misunderstanding of consolidated billing and the services the NH Utilities can and do provide for consolidated billing for competitive suppliers of electricity in New Hampshire.

Further, it is unclear what is sought to be accomplished by the inclusion of 2205.16(c) in the Initial Proposal. As drafted, the rule appears to require the NH Utilities to modify their general terms and conditions that apply to all other electricity suppliers to allow aggregations to define special billing and pricing terms, and it also appears to require the NH Utilities to implement such special billing and pricing so long as the aggregation is willing to pay the “incremental costs”. Taken to its logical conclusion, this could mean that each aggregation will develop its own billing and pricing methods and schemes, each of which may require different metering, data management, and billing system modifications and the NH Utilities would be required to implement these bespoke modifications. The NH Utilities recommend deleting this rule. To the extent that an aggregation in some future period may seek to implement custom pricing or rate structures, it could look to implement that outside of the utility metering and billing systems, or, potentially, with the relevant utility or on whatever terms may be appropriate at that time. The NH Utilities should not be committed to this type of investment through rules intended to implement municipal aggregation.

### **III. CONCLUSION**

The NH Utilities reiterate their support for expeditious and cost-effective implementation of municipal aggregations. To do so, the NH Utilities respectfully request consideration of the points discussed above and further direct the Commission to the redlined version Initial Proposal attached to these comments for additional guidance on how to modify the Initial Proposal to facilitate near-term and reasonably-cost municipal aggregation for New Hampshire.