

DRM 21-142

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

Reply Comments of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty; Public Service Company of New Hampshire d/b/a Eversource Energy; and Unitil 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 Unitil Energy Systems, Inc. (collectively, “the NH Utilities”) provide their reply public comments on the Commission’s proposed rules for municipal aggregation, PART Puc 2200. The NH Utilities, along with other parties submitted initial comments on March 14, 2022 and appreciate this opportunity to provide reply comments. Additionally, the NH Utilities appreciate having had the opportunity to participate in a stakeholder session convened by the New Hampshire Department of Energy on March 23, 2022 where some of the issues in disagreement could be discussed openly. In light of the comments of others, the NH Utilities provide the below comments.

II. REPLY COMMENTS

Generally, the NH Utilities believe their initial comments were sufficiently clear to demonstrate and explain the concerns of the NH Utilities, particularly with respect to the availability of data, and the extent to which it can be extracted and be provided externally. For certain comments provided on March 14, however, the NH Utilities provide the following responses and clarifications. For clarity, the NH Utilities’ election not to reply to any particular comment of another party should not be understood as agreement with that comment, and the NH Utilities stand by their initial positions on the proposed rules.

1. As an initial matter the NH Utilities would like to note that the Core Functionality Approach (“CFA”) would take a number of months to implement. Any additional functionality or services added to the CFA will take additional time as well as cost to implement. The NH Utilities ask that the Commission take this into consideration when determining an effective date for the proposed rules.
2. Regarding proposed Puc 2203.02(b)(1) and 2204.02(a)(2), the NH Utilities would agree with an adjustment to the language of those proposed rules to align with the comments of Colonial Power Group such that it reads similarly to “The most recent

24 months of usage data in kWh for each reported monthly interval if available, or 12 months otherwise.”

3. The NH Utilities are currently developing proposals to implement purchase of receivables (“POR”) programs and anticipate being able to submit those proposals for the Commission’s consideration within the next few months. Accordingly, the NH Utilities continue to support the comments about a requirement for filing not being necessary. Additionally, given that timing, the NH Utilities believe it would be appropriate to delete the proposed rule currently at Puc 2203.02(b)(5) as unnecessary.

Furthermore, the NH Utilities note that the present version of the Commission’s Puc 1200 rules contain a provision stating that utilities may not disconnect residential service for non-payment if the unpaid bill results from service other than “utility service,” Puc 1203.11(h)(2), and “utility service” is defined as service provided “in accordance with the terms and conditions of a tariff filed with and approved by the commission.” Puc 1202.18. These provisions have long been interpreted to mean that a utility could not disconnect service for unpaid amounts owed to competitive suppliers. With the inception of POR, the NH Utilities note that some provision will need to be made to assure that once the utility owns the relevant receivables of suppliers and CPAs, it would have the same rights and obligations regarding those receivables as it would have for its own receivables, up to and including disconnection.

4. In their initial comments the NH Utilities provided a description of the items proposed to be included in a CFA to supporting aggregations in New Hampshire. On page 3 of those comments and in referring to proposed Puc 2203.02(b)(3) and (4), the NH Utilities specified certain groups of information in the CFA and included customers who are net metered and those participating in the Electric Assistance Program (“EAP”). In contrast, in their redlined markup of the proposed rules, which was provided with the initial comments, the NH Utilities stated that the CFA would *not* include customers who are net metered and those participating in EAP. Having been made aware of this inconsistency, the NH Utilities now clarify that the CFA would include net metered and EAP customers in the identified report.

For clarity, however, Eversource notes that due to the differences in its billing systems, providing the requested net metering information for customers in its Large Power Billing system may not be possible, but the information may be provided for those in its C2 system.

5. In Puc 2204.02, the proposed rule seeks capacity tag information for the current year, and for the prior year and next year, if “known and readily available.” The NH Utilities reiterate that they only have the current capacity tags and to the extent the

NH Utilities have the tags for the next power year, it is only for a brief period and is not in a format that may be easily provided.

6. During the discussion regarding proposed Puc 2204.03 on March 23, a question was raised about whether the requested information could be segregated between customers on default supply and those taking competitive supply. The NH Utilities confirm that they can separate customers by whether they are on default or competitive supply and would accept a rule implementing the request for that information.
7. In the comments of the Community Power Coalition, there is a note (Item 3, page 2) how the definition of Load Serving Entity (“LSE”) in the proposed rules is based on the ISO-New England definition, but with some adjustments. Specifically “transmission” in the proposed definition is altered “to reflect the fact that as a matter of practice in New Hampshire, under state jurisdiction, the distribution utilities provide and pay for transmission services, although the FERC jurisdictional transmission tariffs do allow that transmission services could be charged directly to LSEs.” The Commission should be cautious around adopting a definition that strays from the one with ISO-New England.

As the law and the rules are structured, it is evident that one or more CPAs may, in the future, shift from merely aggregating customers for purposes of purchasing electricity, but may begin to offer more active load and supply management programs and services. In such instances, those entities, may begin to affect the distribution system which may result in upstream effects on the transmission system.

Presently, the definition of LSE from ISO-New England is “An entity that secures and sells electric energy, transmission service, and related services to serve the demand of its end-use customers at the distribution level.” And “distribution” is defined as “The delivery of electricity to end users via low-voltage electric power lines (typically <69 kV) (see transmission); the transfer of electricity from high-voltage lines to lower-voltage lines.” Any expectation that CPAs might assume the transmission charges (or pass on transmission savings to customers for demand reduction) presumes that they are providing service at the transmission level and not over a distribution system. Additionally as a threshold matter, whether someone qualifies to provide or procure transmission service requires a fairly complex legal analysis applying the terms of the ISO-NE tariff. To the extent that CPAs may look to act as an LSE, they should be subject to a distribution rider or similar construct to assure that the impacts on the distribution system are properly addressed and remunerated. The NH Utilities raise this concern to clarify that to the extent CPA is acting as an LSE and should be treated as any other LSE, it should, regardless of the adjustment specified by the Community Power Coalition pay for access to transmission. The definition of LSE should not open the door to circumvent this obligation. To the extent the Commission elects not to address this item through the

rules, the NH Utilities note that they reserve the right to propose an appropriate rider or other construct in the future.

8. With respect to the comments of the New Hampshire Electric Cooperative, the NH Utilities note the following:
 - a. The NH Utilities support the proposal (page 1-2) that a separate schedule of fees to be paid by the requesting entity be prepared to ensure that nonparticipating customers do not bear inappropriate costs.
 - b. The NH Utilities support the anonymization thresholds and timing of information exchange identified in response to Puc 2203.02(e) on page 4.
 - c. The NH Utilities agree with the comment on page 8 that the rules should clarify that the CPA is not the ISO-NE assigned meter reader.

9. Lastly, in that the adoption of these rules creates a new program that had not previously existed in New Hampshire, the NH Utilities make two additional observations:
 - a. Given the level of interest in implementing CPAs, it could be that there will be times where the Commission and the NH Utilities would receive more applications than they can reasonably review and process. Understanding this possibility, the NH Utilities note that they may seek waivers from certain timelines defined in the rules to address an influx of applications to establish CPAs
 - b. The rules to implement CPAs in New Hampshire have been the subject of a very lengthy process where there remain some differences of opinion on implementation and where certain technical or financial challenges exist. The Commission may wish to consider establishing a timeline for revising the rules following their implementation to determine whether adjustments are necessary to manage the costs and complexities generated by the program.