

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-091

DE 24-032

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

Petition for Adjustment of Stranded Cost Recovery Charge

**Burgess Plant Bankruptcy Settlement Review Pursuant to RSA 365:28 and
Allied Statutes**

**Order Rejecting Company Tariff Filing as Non-Compliant with the Terms of
Order No. 27,053, and Requiring the Filing of a Compliant Tariff Filing
by October 25, 2024**

ORDER NO. 27,066

October 16, 2024

This order, following the Commission's issuance of Order No. 27,053 (August 30, 2024) in these instant dockets, terminating the Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or the Company) 'Chapter 340 Adder' in Eversource's distribution rates, and the Company's making a compliance Tariff filing in response thereto, REJECTS the Tariff filing as non-compliant, and directs the Company to make a compliant Tariff filing by October 25, 2024.

I. BACKGROUND

On August 30, 2024, the Commission issued Order No. 27,053 in these Docket Nos. DE 23-091 and DE 24-032, relating to the Company's petition for adjustment of its Stranded Cost Recovery Charge (SCRC) and the Commission's review of the Burgess Plant¹ bankruptcy matters, respectively. Interested persons may review the

¹ Berlin Station, LLC and Burgess BioPower, LLC, (collectively referred to in this Order as 'Burgess Plant').

procedural background leading to the Commission's decision in this matter within Order No. 27,053.

Order No. 27,053, and all relevant docket filings, other than any information subject to confidential treatment, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-091.html> and <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-032.html>.

Within Order No. 27,053, the Commission made the following rulings, among others: (1) that the 'Chapter 340 Adder' of the Eversource SCRC rates is terminated as of October 31, 2024; (2) that Eversource shall transfer\incorporate any residual Burgess PPA\Burgess-Plant related costs in existence as of October 31, 2024 to its general Part 2 SCRC account as of November 1, 2024, with recovery to be made from the Eversource general Part 2 SCRC rates as of November 1, 2024; (3) that Eversource shall not add any Burgess-Plant or Burgess Power Purchase Agreement (PPA)-related costs to its Part 2 SCRC rate account after November 1, 2024 without prior Commission approval; and (4) that Eversource was to file its conforming Tariff pages incorporating the terms of this Order, and supporting calculations and allocations, no later than September 19, 2024. Order No. 27,053 at 9 (*emphasis added*).

On September 19, 2024, the Company timely made a Tariff filing into Docket No. DE 23-091, purporting to comply with the terms of Order No. 27,053, together with supporting accounting-schedule attachments. See Docket No. DE 23-091, Docket Tab 55. In the Company's cover letter to this filing, submitted by counsel, the Company stated that "[t]he proposed tariff pages provide for the termination of the Chapter 340 adder as of October 31, 2024 and the transfer effective as of November 1, 2024 of the related costs for recovery through SCRC 'Part 2A' accounting, to which the percentage allocations that apply to other Part 2 cost components will not be

applicable, *consistent with the Order.*" Eversource Cover Letter to Compliance Tariff Filing, September 19, 2024, at 1 (*emphasis added*). Counsel for Eversource also stated, "[f]or the avoidance of any doubt, the Company is not proposing any interim change to the currently effective SCRC rates, as of November 1, 2024 or any other date prior to February 1, 2025." *Id.*

Within the proposed Tariff pages themselves, the Company made accommodation of a so-called "Part 2A" SCRC rate component, to be assessed to all Eversource distribution rate classes at a fixed rate of 0.472 cents per kilowatt-hour (kWh), to be effective November 1, 2024. This figure is the same figure assessed for the 'Chapter 340 Adder' under the current Eversource Tariff, that is, 0.472 cents per kWh. *See* Eversource Proposed 7th Revised Tariff Page 21B (blackline and redline). Within one supporting accounting-schedule attachment, the Company revealed an expected, estimated over-recovery arising from the "Part 2A" SCRC rate component of \$6,355,000 by month-end January 2025 (the conclusion of this year's SCRC rate period), including carrying charges, arising from expected "Part 2A" revenues for the November 2024-January 2025 period of \$9,382,000. *See* Eversource Illustrative Attachment YC/SRA-1, Page 3 of 3, Dated September 19, 2024, Lines 1, 7, and 11.

No filings were made, by the New Hampshire Department of Energy (DOE), or any other party, in response to the Company's September 19 filings.

II. COMMISSION ANALYSIS

In Order No. 27,053, the Commission made the following findings. "Having reviewed the Company's Technical Statement, Hearing Exhibit 7, and heard the arguments and testimony presented at hearing on the issue of the continuance of the 'Chapter 340 Adder' for the remainder of this SCRC rate year, together with the overall record in these two dockets [DE 23-091 and DE 24-032], we have concluded that now

is the time to terminate the 'Chapter 340 Adder' SCRC rate feature for Eversource at the earliest opportunity. The Burgess [Plant] PPA has been terminated, by operation of law through a Federal court's approval of a settlement agreement entered into by the Company and Burgess Plant, as of February 29, 2024. Therefore, ongoing support of a Burgess [Plant] PPA through the operation of a Chapter 340 Adder is a legal impossibility, as that Burgess [Plant] PPA has ceased to exist. It would not be just, reasonable or prudent for the Company to have a Tariff rate feature relating to a defunct Burgess [Plant] PPA on its Tariff indefinitely. It would also not be just or reasonable ratemaking for the Commission to allow a [then-estimated] \$7.25 million overcollection to accrue on the Chapter 340 Adder account by the end of January 2025, *i.e.*, the end of the current SCRC rate year." Order No. 27,053 at 7.

To accomplish the task of terminating the 'Chapter 340 Adder,' the Commission ordered the Company to "...transfer, *i.e.*, incorporate, any residual Chapter 340\Burgess-Plant costs in existence as of October 31, 2024 to its general Part 2 SCRC account as of November 1, 2024." In response to concerns of cost-recovery through the general Part 2 SCRC rates not comporting with the allocation scheme approved for the 'Chapter 340 Adder,' expressed by the Company and DOE at the August 14, 2024 consolidated hearing for these matters, the Commission clearly ruled that "...we view this to be a minor issue that may be remedied by a modification of Order No. 26,311 [(January 31, 2020), governing the 'Chapter 340 Adder' rate allocation scheme] pursuant to our powers under RSA 365:28, in comparison to the need to terminate the collection of the Chapter 340 Adder rates as soon as practicable." Order No. 27,053 at 7-8 (*emphasis added*). The Commission, in turn, ordered this modification of Order No. 26,311 within Order No. 27,053 to effectuate its

intent to terminate the collection of the 'Chapter 340 Adder' rates. Order No. 27,053 at 8-10.

Having reviewed the Company September 19, 2024 Tariff filing, including the supporting accounting schedules, we conclude that this filing is non-compliant with the terms and rulings of Order No. 27,053. Through its creation, out of whole cloth, of a purported "Part 2A" SCRC rate feature, which is the exact same rate, of 0.472 cents per kWh assessed on all Eversource distribution rate classes, as the soon-to-be defunct 'Chapter 340 Adder' SCRC rate, the Company is attempting to subvert the Commission's clear intent to eliminate this Burgess-Plant related rate feature, and associated significant overcollections, which are now estimated by Eversource to total \$6.36 million, including carrying charges, by the end of the current SCRC rate year on January 31, 2025. Eversource Illustrative Attachment YC/SRA-1, Page 3 of 3, Lines 7 and 11.

Furthermore, counsel for the Company's characterization of the Commission's supposed intent to maintain a separate scheme for the collection of residual Chapter 340-related costs, which are expected by the Company to total \$3,053,000 by November 1, 2024 (Eversource Illustrative Attachment YC/SRA-1, Page 3 of 3, Line 6), as 'consistent with the order [Order No. 27,053]', is a serious misunderstanding at best, and facile at worst. The Commission's order to Eversource "to transfer, *i.e.*, incorporate, any residual Chapter 340\Burgess-Plant costs in existence as of October 31, 2024 to its general Part 2 SCRC account as of November 1, 2024," Order No. 27,053 at 7, was not an invitation to the Company to create a new iteration of the 'Chapter 340 Adder' of 0.472 cents per kWh with a new moniker, "Part 2A" of the SCRC, but rather, to roll whatever remaining Chapter 340-related account balance in existence into the general Part 2 SCRC account balance, and use the Part 2 SCRC

rates to recover that balance. The Commission's plain modification of the terms of Order No. 26,311, which terminated any need for a "hive-off" of Burgess-Plant related cost recovery into a separate rate scheme, underscores this. For ready reference, the general Part 2 SCRC rates currently in effect pursuant to the Company's Tariff are reproduced below, through which the Commission intends the Company to effectuate recovery of the expected \$3 million Burgess Plant-related residual balance to exist as of November 1, 2024.

Eversource Current Tariff Part 2 SCRC Rates (Cents per kWh)

Residential	General Service	Primary General Service	Large General Service	Outdoor Lighting
-0.440	-0.478	-0.385	-0.155	-0.653

For the foregoing reasons, the Commission hereby REJECTS the Eversource September 19, 2024 compliance Tariff filing as NON-COMPLIANT, and ORDERS Eversource to file Tariff pages, and supporting accounting schedules, made in conformity with this Order and Order No. 27,053 no later than October 25, 2024.

Regarding the Company's disclaimer referenced on page 3 of this instant Order, above, wherein the Company asserted, "[f]or the avoidance of any doubt, the Company is not proposing any interim change to the currently effective SCRC rates, as of November 1, 2024 or any other date prior to February 1, 2025," the Commission hereby states, without reservation, that the Company is not in a position to "propose", or not "propose," "interim change(s)" to its SCRC rates through the filing of compliant Tariff pages in response to the Commission directives regarding the termination of the 'Chapter 340 Adder,' which was ordered on August 30, 2024 and is to take effect on October 31, 2024, but rather, Eversource is to implement the direct Orders of the Commission (Order Nos. 27,053 and this instant Order) for actual effect, through its


Tariff, as of November 1, 2024. The Commission further reserves the right to schedule further proceedings in advance of October 31, 2024, if necessary to enforce the Company's compliance.

Based upon the foregoing, it is hereby

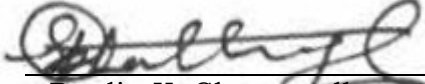
ORDERED, that the Eversource compliance Tariff filing made on September 19, 2024 in response to Commission Order No. 27,053 is REJECTED as NON-COMPLIANT with the terms of Order No. 27,053; and it is

FURTHER ORDERED, that Eversource shall file compliance Tariff pages, and supporting accounting schedules, in conformity with the requirements of Order No. 27,053 and this instant Order no later than October 25, 2024.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of October, 2024.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Service List - Docket Related

Docket#: 23-091

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