

DE 02-054

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Delivery Service Tariff NHPUC No. 2
Filing of Revised Tariff Pages - Late Payment Charge

Order Suspending Proposed Tariff Changes For 3 Months

O R D E R N O. 24,001

June 27, 2002

On April 1, 2002, Public Service Company of New Hampshire (PSNH) filed, in compliance with Rule PUC 1605.02, revised tariff pages and supporting testimony, for its tariff NHPUC No. 2 - Electricity Delivery Service. The proposed pages implement a one percent per month late payment charge on the rates and charges in the tariff, with a proposed effective date of July 1, 2002. The proposal represents a one-half percent reduction from the current late payment charge for customers receiving service under PSNH's Primary General Delivery Service Rate GV, Large General Delivery Service Rate LG, Backup Delivery Service Rate B. The reduction also applies to Transition Energy Service Rate T and Default Energy Service Rate DE taken in conjunction with Rate GV, Rate LG, or Rate B. The Company further seeks to introduce a new late payment charge for customers receiving service under all other rate classifications. The estimated annual revenue changes are as

follows: a \$166,000 reduction in annual revenues associated with the one-half percent reduction and a \$1,053,000 increase associated with the expansion of the late payment charge to all other rate classes.

PSNH has represented in its filing that the proposed charge fully complies with the Commission's Final Proposal Fixed Text (dated March 22, 2002) for late payment charges in Docket DRM 01-078, NH Code Admin. Rule PUC §1203.08.

Upon review, we have determined that PSNH must provide additional information to support the company's assertion that the proposed 1% late payment charge is less than the company's actual cost of collection, as required by NH Code Admin. Rule PUC §1203.08. While the company put forward a dollar amount for its cost of collection, there were no work papers provided in support of the calculation. Further, the company has not explained how potential reductions in expenses due to anticipated reductions in the number of collection agents required to make special visits (see Testimony of Steven R. Hall and Frederick W. Bishop, at page 4), and other potential cost reductions, will be reflected in the determination of net incremental revenue.

Pursuant to RSA 378:6, I.(b), the Commission will suspend

the tariff for a period of three months in order to allow for the above information to be provided and the Commission Staff to complete its investigation and make a final recommendation. In addition, a technical session is to be held on July 8, 2002, to explore any additional questions raised by this filing.

Based upon the foregoing, it is hereby

ORDERED, that the proposed tariff change is suspended for a period of three months; and it is

FURTHER ORDERED, that PSNH shall file the additional information described above by July 5, 2002; and it is

FURTHER ORDERED, that a technical session shall be held at the offices of the Commission on July 8, 2002 at 1:00 p.m.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of June, 2002.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Debra A. Howland

Executive Director & Secretary