

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 22-020

NORTHERN UTILITIES, INC.

Petition for Approval of Step Adjustment

Order *Nisi* Approving Rate Adjustments Requested Pursuant to Order No. 26,675

ORDER NO. 26,859

July 12, 2023

In this order, the Commission approves on a *nisi* basis a Northern-requested adjustment to distribution rates associated with a Commission-approved step increase in Northern’s distribution rates effective September 1, 2022, associated with its investments placed in service in 2021. This adjustment to rates, presented in proposed Tariff pages filed by Northern on May 8, 2023, was made pursuant to the Commission’s directive in Order No. 26,675 (August 31, 2022), issued in this docket.

I. BACKGROUND AND POSITIONS

On May 8, 2023, Northern Utilities, Inc. (Northern or the Company) filed a “Motion to Re-Open Docket and Accept Compliance Filing” (Company Motion) in this instant docket, which had been closed by the Commission in a procedural order dated December 9, 2022. In the Company Motion, Northern noted that the Commission had approved the amount for distribution rate recovery of its step increase related to 2021 plant investments for an initial eleven-month recovery period, for service rendered from September 1, 2022, through July 31, 2023, as specified by Order No. 26,650 in Docket No. DG 21-104 (the Company’s most recent full distribution rate case). Northern further noted that the Commission specified, in Order No. 26,675 approving the 2021-associated step increase, that subsequently, *i.e.*, on and after August 1, 2023, step increase revenues for this step increase will be recovered on an August 1

through July 31 annual basis and adjusted accordingly. *See* Company Motion at 1; Order No. 26,675 at 4.

To that end, Northern requested in the Company Motion that the Commission re-open this docket to accept the Company's May 8 compliance filing (and included supporting schedules) for adjustment to a twelve-month rate recovery period for this step increase, and to approve the rates presented therein (to be effective on August 1, 2023). Company Motion at 2.

The Commission, on May 9, 2023, issued a procedural order granting Northern's request to reopen this docket for the purposes of reviewing the proposed adjustments to rates submitted in the Company's May 8 filing.

On May 15, 2023, the New Hampshire Department of Energy (DOE) filed an "Objection to Northern Utilities, Inc. Motion to Accept and Approve the Compliance Tariff Without a Hearing and Request For A Hearing Pursuant to RSA 378:7" (DOE Objection). The DOE Objection requested that the Commission schedule a hearing, pursuant to RSA 378:7, to fix the adjusted, twelve-month schedule, rates associated with the 2021-investment step increase. The DOE asserted that there was no Commission authority for the Company's presentation of its adjusted rates in the May 8 filing, and that "Northern is proposing to adjust rates without a hearing or any opportunity to review the proposed rates to determine if the rates are just and reasonable." DOE Objection at 2. Northern did not respond to the DOE Objection, nor did any other person file a response to the Company Motion or the DOE Objection.

The Company Motion and related docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-020.html>

II. COMMISSION ANALYSIS

As a threshold matter, the DOE's reliance on RSA 378:7 in seeking a hearing regarding the Company's May 8 proposed adjustments to distribution rates is in error. RSA 378:7 states, in pertinent part (*emphasis added*): "Whenever the commission shall be of opinion, after a hearing had upon its own motion or on motion of the department of energy or upon complaint, that the rates, fares or charges demanded or collected, or proposed to be demanded on collected, by any public utility for service rendered or to be rendered *are unjust or unreasonable*, or that the regulations or practices of such public utility affecting such rates *are unjust or unreasonable*, or *in any wise in violation of any provision of law*, or *that the maximum rates, fares or charges chargeable by any such public utility are insufficient*, the commission shall determine the just and reasonable or lawful rates, fares and charges..." RSA 378:7.

In the DOE Objection, the DOE makes no allegation that the proposed rates presented by Northern in its May 8 filing are unjust, unreasonable, or unlawful. The DOE does assert that "...there is no Commission order approving these rates." DOE Objection at 3. We point out to the DOE that Order No. 26,675 did indeed establish a process whereby the Company would present adjustments to its distribution rates to comply with the Commission directive to move to a twelve-month recovery period on and after August 1, 2023, with which the Company duly complied on May 8, 2023. See Order No. 26,675 at 4; *see also* Order No. 26,650 (July 20, 2022) at 6.

In any event, more than two months have passed since the Company filed its May 8 proposed adjustments, with ample opportunity for review by DOE and other interested parties, and no substantive objections to the Company's proposal have been raised to the Commission in that time. We have reviewed the Company's proposed adjustments made in its May 8 filing and find them to be accurate, just, reasonable,

and in the public interest, and therefore will approve them on a *nisi* basis with an effective date of August 1, 2023, as requested by the Company.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the effective date below, Northern's proposed adjustments to its distribution rates associated with the step increase approved by the Commission in Order No. 26,675 in this instant docket, as submitted in its compliance filing made on May 8, 2023, are APPROVED; and it is

FURTHER ORDERED, that Northern shall cause a copy of this order to be published on its website, such publication to be made no later than July 14, 2023, and to be documented by an affidavit filed with this office on or before July 31, 2023; and it is


FURTHER ORDERED, that all persons interested in responding to this order be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than July 21, 2023, for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than July 28, 2023; and it is

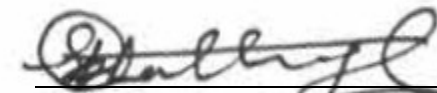
FURTHER ORDERED, that this order shall be effective August 1, 2023, unless Northern fails to satisfy the publication obligation as set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that Northern shall file tariff pages as required by N.H. Code Admin. R., Puc 1603 conforming to this order within fifteen (15) days of the effective date of this order, or August 15, 2023.

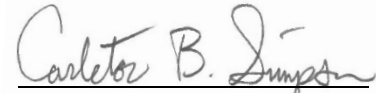
By order of the Public Utilities Commission of New Hampshire this twelfth day of July, 2023.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 22-020

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