

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 24-046

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

2024 Energy Service Solicitations

Order *Nisi* Approving Energy Service Rates

ORDER NO. 27,034

July 12, 2024

In this order, the Commission approves, on a *nisi* basis, the Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or the Company) energy service (ES)¹ rates for effect for the six-month period of August 1, 2024, through January 31, 2025. These rates were updated by the Company, to incorporate certain technical adjustments, pursuant to the terms of Commission Order No. 27,022 (June 20, 2024) issued in this docket, which approved Eversource's ES solicitation process and resulting contracts with third-party energy suppliers. This update was provided by the Company on July 3, 2024, with a technical correction made on July 5, 2024.

The table below summarizes the updated rate of 10.403 cents per kilowatt hour (kWh) to be charged to the Eversource Small Customer Group, which includes residential customers taking energy service from Eversource. This rate includes a charge of 0.868 cents per kWh for Renewable Portfolio Standard (RPS) compliance costs. The RPS costs represent approximately 8.3 percent of the power supply charges for residential customers.

¹ The customer bill for those customers that take Eversource default service is composed of three parts: power supply, transmission, and distribution. The ES rates for default service customers are for the power supply component only.

Eversource Residential (Small Customer Group) ES Rates²

		Residential Rates (\$/kWh)			
	Effective Date	Power Supply Charge	RPS	Other Charges	Total kWh Charges
Prior Year Rate	August 1, 2023	\$0.13180	\$0.00834	-\$0.01432	\$0.12582
Current Rates	February 1, 2024	\$0.08832	\$0.00856	-\$0.01403	\$0.08285
Proposed Rates	August 1, 2024	\$0.10144	\$0.00868	-\$0.00610	\$0.10403

For a residential customer using 650 kWh per month, the result will be an increase in the monthly bill from \$137.90 to \$151.08, or about \$13.18 (9.6 percent) more, compared to the six-month period ending July 31, 2024. The monthly bill comparison with the ES rates made effective one year ago (August 1, 2023) is a reduction of 3.4 percent, or \$4.95 per month, compared to bills for the August 2023 to January 2024 period.³

I. BACKGROUND

The procedural history and Commission rulings made in the earlier phases of this proceeding may be reviewed in Order No. 27,022. This Order, the Company's ES petition, and subsequent 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/2024/24-046.html>.

In summary, the Commission made two rulings in Order No. 27,022 that necessitated the Company's refiling of its proposed ES rates to incorporate required adjustments. First, the Company was required to place a prior-period under-collection of approximately \$6.5 million, arising from its ES operations for the Large Customer

² See Eversource July 3, 2024 Filing, Attachment YC/SRA-Summary (PDF Page 31).

³ See Eversource July 3, 2024 Filing, Attachment YC/SRA-4 (Bates Pages 31 and 32).

Group, into a deferral account. Second, Eversource was required to adjust its proxy-price calculations for its market-based (ISO-New England) procurement tranche for the Small Customer Group using the latest available information on actual costs instead of using a multiplier-based approach. Order No. 27,022 at 9-10.

The Company filed these adjusted ES rates in a filing made with the Commission on July 3, 2024, with a subsequent technical correction made to one of the supporting attachments filed on July 5, 2024. The Company's presentation included the Technical Statement of its personnel Scott Anderson, Yi-An Chen, Luann Lamontagne and Parker Littlehale. Eversource's filing also included supporting attachments that presented a reduction in the ES rates for the Small Customer Group resulting from the \$6.5 million reconciliation deferral, and a slight decrease of 0.5 percent, on average, for the Small Customer Group ES rates resulting from the required adjustment to the proxy-price methodology for the 12.5 percent market-based tranche for the Small Customer Group. See Eversource July 3, 2024 Filing, Technical Statement of Littlehale, *et al.*, at Bates Pages 1 to 3.

The Company had represented in an earlier phase of this proceeding that consistent with the Settlement Agreement approved in Docket No. DE 17-113, by Order No. 26,092 (December 29, 2017), Eversource added to the base energy price an amount that recovers costs that Eversource must pay for compliance with New Hampshire's RPS requirements under RSA 362:F. Hearing Exhibit 1, Bates Pages 16 and 17. In addition to that RPS adder, Eversource includes in its ES rates an amount to recover its administrative and general expense costs related to the procurement of energy service for its customers. Eversource also included an annual energy reconciliation adjustment factor in the calculation of ES rates. Eversource calculated a uniform RPS adder, based on current market prices for renewable energy certificates

(RECs) that comply with the RPS requirements of 0.868 cents per kWh for both the Small and Large Customer Groups. Eversource calculated the recovery factor for administrative and general expenses to be 0.094 cents per kWh for both Customer Groups.

To balance out past over- and under-recoveries related to the Company's RPS and other ES-related costs, Eversource calculated a credit of 0.704 cents per kWh to be applied as an offset to ES rates for the Small Customer Group, including residential customers, and a credit of 0.485 cents per kWh to be assessed as part of ES rates for the Large Customer Group.

The ES rates for the Large Customer Group vary by month. The monthly total ES rates for Large Customer Group ratepayers are proposed by the Company to be (including RPS, and all ancillary charges and credits): August 2024, 8.614 cents per kWh; September 2024, 7.540 cents per kWh; October 2024, 6.974 cents per kWh; November 2024, 9.212 cents per kWh; December 2024, 13.595 cents per kWh; January 2025, 18.333 cents per kWh. *See* Eversource July 5, 2024 Corrected Filing (Attachment YC/SRA-1, Page 2 of 4).

II. COMMISSION ANALYSIS

As held in Order No. 27,022, we find that Eversource's solicitation and bid evaluation procedures conform to the process approved by the Commission in Order No. 26,092, and re-confirmed in Order No. 26,733, and as modified by Order Nos. 26,994 and 27,005 in relation to the market-based component. *See also* RSA 374-F:3, V(c). We also approve the Company's calculation of ES rate reconciliation credits and charges, and its calculation of the RPS adder, subject to the proviso that they are subject to reconciliation on any further review by the DOE, the Commission, and the Company itself. We also find the Company's recalculation of its proxy price for the

Small Customer Group satisfactory for the limited purpose of this ES rate period. Based on the process and our review of the results, we find that the resulting ES rates are market-based, just, and reasonable, and we will approve them on a *nisi* basis.

(As an aside, the Commission takes note that the Office of the Consumer Advocate (OCA) has filed, on July 11, 2024, a motion for rehearing of Order No. 27,022, with the OCA's concerns centering on a potential approval by the Commission of a recovery methodology for the \$6.5 million deferred under-collection within this proceeding. The Commission will take up the OCA's motion for rehearing within a separate Order; however, the Commission does wish to clarify to interested parties that, as ordered in Order No. 27,022, wherein the Company is to "...prepare a proposal for the integration of the ES Reconciliation Adjustment Factor charges into collection through the SCRC [Stranded Cost Recovery Charge] to be filed thirty (30) days in advance of the Company's next SCRC petition filing..." Order No. 27,022 at 9, the Commission's intent was to have an adjudication of any such proposal in a future proceeding, with a separate order of notice.)

Based upon the foregoing, it is hereby

ORDERED *NISI*, subject to the effective date below, that the Eversource ES rates for the six-month period beginning August 1, 2024, are hereby APPROVED as filed and discussed herein above; and it is

FURTHER ORDERED, that Eversource is authorized to use its price estimates of renewable energy certificates in its calculation of energy service rates; and it is

FURTHER ORDERED, that Eversource shall file conforming tariff pages, incorporating the new energy service rates, all as approved herein, within 20 days of the effective date of this order, consistent with N.H. Code Admin. Rules, Puc 1603; and it is

FURTHER ORDERED, that Eversource shall post a copy of this order *nisi* on its website, such notice to be made no later than July 16, 2024, and to be documented by affidavit filed with the Commission on or before July 22, 2024; 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 29, 2024, for the Commission's consideration; and it is

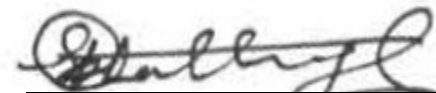
FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than July 31, 2024; and it is

FURTHER ORDERED, that this order shall be effective August 1, 2024, unless Eversource 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.

By order of the Public Utilities Commission of New Hampshire this twelfth day of July, 2024.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 24-046

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