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May 18, 2023

**Via Electronic Mail Only**

Daniel C. Goldner, Chairman  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

RE: Docket No. IR 22-053, Investigation of Energy Commodity Procurement Renewable Portfolio Standard; Default Service Electric Power; Cost of Gas Methodology and Process – Eversource Energy Response Regarding Commission Staff Report

Dear Chairman Goldner:

Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) has reviewed the *Report on New Hampshire Energy Commodity Procurement* prepared by Commission Senior Advisors Dr. Rizwana Alamgir-Arif and Alexander Speidel, Esq. and filed in this docket on May 8, 2023 (the “Staff Report”). Pursuant to the Commission’s procedural order issued on April 24, 2023, interested stakeholders may submit responses to the Staff Report by May 18, 2023. Eversource hereby submits the following response regarding the Staff Report.

Eversource greatly appreciates the efforts of the Senior Advisors in preparing the Staff Report, which represents a helpful summary of the information provided and positions advocated by the utilities and other participating stakeholders. Eversource has not identified any statements in the summary of its submissions in the docket that require correction.<sup>1</sup>

The Company takes this opportunity to briefly reiterate certain key points regarding default energy service and renewable energy certificate (“REC”) procurement. Eversource believes that adjustments to procurement practices could provide some mitigation of price volatility, if that is a public policy goal of the Commission and consistent with the Electric Restructuring Act; however, the effects of such measures would be limited and may result in unintended consequences.

In particular, the Company does not support a regional default service procurement process, conducted together with its affiliated companies in Massachusetts and Connecticut, based on differences among the states in specific laws and policies. Nor does the Company support a statewide procurement process administered by the Commission or another New Hampshire state agency for all investor-owned electric distribution utilities, given significant differences among the various utilities. Direct participation by electric utilities in the ISO New England wholesale

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<sup>1</sup> The Company notes, however, that in the section regarding Unitil on page 10, the text references load served of “roughly 953 million kWhs in 2018 . . . to 1,841 million kWhs for that same period,” and it is unclear whether those numbers are accurate in that context.

power markets would expose default service customers to substantial price risks, which may not be fully mitigated even through active hedging strategies. And a managed portfolio approach, involving power purchase agreements of various lengths and sizes, would represent a very different paradigm than currently exists under the Electric Restructuring Act and Commission precedent, reflecting a significant move away from competitive market pricing and potentially establishing default service as being in direct competition with the competitive retail market and with community power aggregations.

The Company does believe that a more abbreviated RFP review period by the Commission, similar to the processes used in Massachusetts and Connecticut, might result in potentially lower-cost outcomes with respect to default service prices by mitigating wholesale supplier risk premiums. In addition, some “laddering” of wholesale energy procurements could provide potential default service price-smoothing benefits, again if policy priorities favor mitigation of price volatility over the reflection of more current market pricing.

With respect to REC procurement to comply with the state renewable portfolio standard (“RPS”), the Company believes that obligation should be shifted to the wholesale electricity suppliers, because those competitive market participants are better situated to hedge against regional REC market dynamics. That alternative approach to REC procurement and state RPS compliance has been successfully implemented by Eversource’s Connecticut affiliate.

Eversource appreciates the Commission’s interest in these important topics, and it remains ready and willing to actively participate in this investigation, by responding to further information requests, attending Commission technical sessions, or participating in any other process as directed by the Commission. The Company continues to be concerned about the impacts of energy supply market volatility on customers and intends to make every effort to mitigate those impacts as allowed by law through the regulatory process. Eversource remains committed to working with its regulators, the consumer advocate, and other stakeholders in the best interests of customers to procure the energy supply they need and rely on.

Consistent with current Commission policy, this filing is being made electronically only; paper copies will not follow. If you have any questions, please contact me. Thank you for your assistance with this matter.

Sincerely,

*/s/ David Wiesner*

David K. Wiesner  
Senior Counsel

cc: IR 22-053 Service List