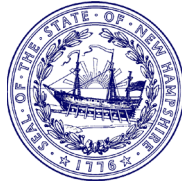


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DEPARTMENT OF ENERGY
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October 8, 2024

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

Re: DE 23-004, Public Service Company of New Hampshire d/b/a Eversource Energy,
Proposed Purchase of Receivables Program; Department of Energy Position Statement

Dear Chairman Goldner:

On August 22, 2024, the Commission issued an order approving a Settlement Agreement filed on September 13, 2023, in the above-captioned matter between Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “Company”), the New Hampshire Department of Energy (“DOE” or “Department”), the Community Power Coalition of New Hampshire (“CPCNH”), and Direct Energy Services, LLC, Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Reliant Energy Northeast LLC, and XOOM Energy New Hampshire, LLC (together, the “NRG Retail Companies”) (collectively, the “Parties”). The Settlement Agreement provided for a “Phase II” to the proceeding, in which Eversource would submit proposed revisions to its “Electric Supplier Services Master Agreement” (“ESSMA”) and Eversource’s “Tariff NHPUC No. 10--Electricity” (“Tariff”) necessary to implement the Company’s Purchase of Receivables (“POR”) program. On August 29, 2024, the Commission issued a Supplemental Order of Notice in this docket commencing Phase II of the proceeding. The order requested that, “the [DOE] and other parties file their positions regarding the Eversource’s proposed revised ESSMA and proposed revised Tariff, including the reasons for these positions, on or before October 8, 2024.”

Eversource filed its proposed ESSMA and Tariff revisions and accompanying technical statement in this matter on September 3, 2024. Following an initial review of the Company’s filing, the Department’s initial position is that the proposed revisions appear consistent with the Settlement Agreement, with the following exceptions and recommendations:

1. EBT and EDI Standards.

Paragraph II. H. of the Parties’ settlement agreement states that:

“The second phase of this proceeding may also consider whether or not the Company will utilize rules, process, standards and procedures of the Massachusetts Electronic Business Transactions (“EBT”) Working Group for the implementation of the POR Program, unless and until directed otherwise by the Commission with respect to potential adoption and implementation of relevant Electronic Data Interchange (“EDI”) standards developed specifically for New Hampshire.”

The Company’s proposed ESSMA and Tariff revisions only refer to the EDI standards, but Eversource notes in its technical statement that “[i]n the absence of approved EDI standards for New Hampshire, Eversource has followed the Massachusetts EBT standards maintained by the Massachusetts EBT working group.” The Company also notes that it, “would consider adding more specific language referencing continued use of the rules, processes, standards, and procedures of the Massachusetts EBT Working Group unless and until the Company is directed by the Commission to adopt and implement EDI standards developed for New Hampshire.” The Department recommends that the Company incorporate the relevant portions of the above settlement language into its proposed revisions to ensure that the Massachusetts EBT working group standards are referenced as well as the New Hampshire EDI standards.

In addition, the Department recommends adding a definition for “EDI Standards” to the “Definitions” section of the Company’s proposed ESSMA revisions.

2. Consolidated Billing.

It was the Department’s understanding of the settlement agreement that all competitive suppliers/community power aggregations opting for consolidated billing with the Company must enroll all of their Eversource customer accounts in consolidated billing. The proposed ESSMA and Tariff revisions do not necessarily appear consistent with this understanding¹, and so the Department recommends that the revisions include any necessary clarification.

3. Data For Uncollectible Percentage Calculation.

The definition of Uncollectible Percentage in the Tariff and the Settlement Agreement are not consistent in terms of what data is to be included. The ESSMA² states the following:

...actual data for the most recent period for which data is available prior to the annual filing (or other appropriate period approved by the Commission), divided by the total amounts billed by the Company, including late payment fees if included

¹ See, e.g., Original Page 40 in the Company’s Tariff, Section 9 (a), Eligibility for Purchase of Receivables (“POR”) Program: “Suppliers that choose consolidated billing service for either all or a portion of their Customer accounts in any Customer class (“Participating Suppliers”) shall be required to sell their Accounts Receivable to the Company relating to Supplier Service provided to those Customers for whom the Company issues a consolidated bill.”

² See ESSMA, Section 9. Purchase of Receivables Program, Item (d) Amount of Payment to Participating Suppliers.

in net write-offs, to that participating Customer Class for supply service during the same period. The period to be used for purposes of calculating the Uncollectible Percentage shall be the same period the Company uses for calculating its net write-offs associated with the amounts the Company bills for default energy service supply.

The Settlement Agreement³ states the following:

...based on actual data for the most recent calendar year, divided by the total amounts, including late payment fees if included in net write-offs, for Supplier Service billed to that customer classification by the Company through consolidated billing service during the same period.

The Department recommends that the language in the Tariff be clarified to agree with the language in the approved Settlement Agreement.

4. Registration with the Department of Energy.

The ESSMA refers to the registration or license of the Supplier in various places.⁴ It is unclear what is meant by the terms “registration or license.” RSA 374-F:7 requires the registration of a competitive electric power supplier by the Department. RSA 53-E and Puc 2200 require approval of a Community Power Aggregation plan, but no registration or license. The Department therefore recommends that the Company clarify this language and possibly eliminate the use of license.

5. Credit Worthiness.

The ESSMA requires credit worthiness of the Supplier.⁵ The Puc 2000 rules already require suppliers to provide evidence credit worthiness as part of the registration process, however, RSA 53-E and Puc 2200 do not specifically address credit worthiness when approving applications for community power aggregations. The Department recommends that no further evidence of credit worthiness is necessary to provide to the utility for competitive suppliers. The Department further recommends that the Commission clarify whether credit worthiness is a requirement for review and approval of community power aggregations.

6. Security Interest.

With the implementation of POR, the competitive electric power suppliers and community power aggregations will want to ensure the security interest of the utility. The

³ Settlement Agreement (Tab 29 in Docket DE 23-004, 9/13/23), II. Settlement Terms and Conditions, Item I, starting on Bates p. 5.

⁴ See, e.g., ESSMA, Section VI Supplier’s Responsibilities, pp. 7 and 8; ESSMA, Section VIII Fees, p. 19; ESSMA Exhibit A, Supplier Information, Item 10, p. 26.

⁵ ESSMA, Section II, Definitions, “Creditworthy,” p. 2; ESSMA, Section IV Conditions Precedent, Item F, p. 4.

Department recommends further review of all security interest references to ensure their appropriateness and applicability.

7. ISO NE Market Participant.

The Tariff requires that the Supplier must be a market participant.⁶ The Department recommends that this language be clarified to allow the Supplier to have an agreement with a market participant instead of being a market participant.

8. Consistent Requirements Among Regulated Distribution Utilities.

For ease in implementation of POR and other applicable requirements for competitive electric power suppliers and community power aggregations, the Department recommends that the tariffs and service agreements across the state for all of the regulated distribution utilities be consistent, when possible.

Conclusion

With the exceptions described above, Eversource's proposed revisions to its ESSMA and Tariff appear consistent with the Settlement Agreement approved by the Commission in this docket on September 13, 2024. The Department notes that the Company and suppliers are still required to follow all applicable laws, including the rules of the Commission and the Department, regardless of any conflicts that may arise in its ESSMA and Tariff. Also, to ease implementation of POR, the Department recommends that the three regulated distribution utilities and interested parties work together to ensure consistency across the state when possible.

The Department anticipates it will present its final position at hearing pending further review prior to hearing and any additional information that may come to light through the Department's cross-examination and the Commission's questioning of the Parties' witnesses.

Consistent with the Commission's current practices, this letter is being filed only in electronic form.

Sincerely,

/s/ Alexandra K. Ladwig

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Cc: Docket Service List

⁶ See Tariff, Original Page 31, Section 1. Obligation of Suppliers, Item b.

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