

STATE OF NEW HAMPSHIRE

COMMISSIONER  
Jared S. Chicoine

DEPUTY COMMISSIONER  
Christopher J. Ellms, Jr.



TDD Access: Relay NH  
1-800-735-2964

Tel. (603) 271-3670

Website:  
[www.energy.nh.gov](http://www.energy.nh.gov)

DEPARTMENT OF ENERGY  
21 S. Fruit St., Suite 10  
Concord, N.H. 03301-2429

March 22, 2024

Daniel C. Goldner, Chairman  
Public Utilities Commission  
21 S. Fruit Street  
Concord, NH 03301-2429

Re: DE 24-041 Public Service Company of New Hampshire d/b/a Eversource Energy Petition for Review of Storm Expenses, *DOE's Objection to Eversource's Request for Expedited Review and DOE's Request that Parties be Directed to Propose a Procedural Schedule*

Dear Chair Goldner:

On March 18, 2023 the Public Service Company of New Hampshire d/b/a Eversource ("Eversource" or "the Company") completed a filing in which Eversource seeks review of Storm Expenses in excess of \$230 million dollars accrued over a period of approximately 14 months.<sup>1</sup> *See Eversource's Petition for Review of Storm Expenses* (March 13, 2024); *Eversource Revised Attachment ES-COST-14* (March 18, 2024) (providing updated ES-COST-14 Attachment re 3,500 documents previously provided).<sup>2</sup> Moreover, Eversource "seeks to complete the prudence review for the 2022-2023 Storm Events costs in advance of the next base distribution rate case filing. . . ." Petition p.3 . Based upon information and belief, Eversource may file its next rate case in April or May of this year, and hence the Company implicitly requests expedited review. Eversource states expedited review is appropriate in the interests of administrative efficiency. *See Eversource Petition* at para 5.

Expedited review is not possible. The \$230+ million at issue, the fourteen attachments Eversource has filed summarizing more than 3,500 pages of records, and the New Hampshire Department of Energy ("DOE" or "the Department")'s standard four-to-six-month review process preclude the expedited review Eversource seeks. Indeed, due to the size of the recovery subject to review, DOE cannot commit to a standard four-to-six-month process in this docket. Eversource might have sought review sooner than it has.

---

<sup>1</sup> Eversource's prefiled direct testimony described the period in which these costs accrued as running from *August 2022* through *August 2023*. *See* Direct Testimony of Chen, Consentino and Landry at 5 (March 8, 2024); *but see* Eversource's Petition, page 1 fn 1, describing the period at issue as commencing August 2022 and running through *September 2023*; *but see* DOE Technical Statement, filed in prior storm report docket, Docket No. 22-051, on October 2, 2023 describing the end date for the last storm-related event reviewed as *July 24, 2022*.

<sup>2</sup> Eversource made a partial filing on March 8, 2024, see Dkt. No. 24-041, Tab 1 page 1 which was supplemented by replacement filings on March 13, see id, Tab 1 page 2, March 15 (email), and March 18, see id. Tab 4.

Accordingly, the Department asks the Commission to direct the parties to prepare a proposed procedural schedule to address prudence review of the storm expenses in this docket, and preliminary discussions regarding the best method for future recovery, if appropriate, consistent with a process that is not expedited.

## FACTUAL CONTEXT

Eversource's \$230+ million request is an extremely large proposed recovery for storm expenses. *Compare* \$230+ million Request with Order NiSi No. 26,909 *Approving Recovery of Costs as Modified by Assented-To Disallowances* (December 5, 2023) (Authorizing \$15,224,386 cost recovery from the MSCR fund); and Order Nisi *Approving Cost Recovery as Modified by Assented-To Disallowances* (March 23, 2023) (Authorizing \$45,337,135 recovery from the MSCR fund). In addition, from prior periods, Eversource states that there is an on-going under-recovered balance of an additional \$29 million. *See* Petition at 3; Eversource Letter dated February 26, 2024 filed in Docket No. DE 23-051. This results in a requested total unrecovered storm balance for Eversource in the amount of more than \$260 million.

## TIMING AND PROCESS

At present, it is not clear why Eversource wishes to address review and recovery in separate dockets. To the extent that Eversource wishes to increase the monthly revenue allocated to Eversource's Major Storm Cost Reserve (MSCR) fund above what the Company reports are 2013 figures of \$1 million per month or \$12 million annually, *see* Petition p 2, any adjustment may be considered in the next rate case whether or not the DOE has completed its audit and regulatory review of the expenses at issue here. Similarly, Eversource's proposed "separate MSCR cost recovery mechanism for these [\$230+ million] storm costs, plus carrying charges, on an amortized basis to take effect at the time new base rates are set," may be discussed in the next rate case, whether or not the prudence review of Eversource's \$230 million request in this docket has been completed. *See* Eversource Petition at 3. It is also unclear why the Company is seeking expedited review. Given that the Company's next rate case will likely take approximately twelve months, the most efficient path for a prudence review of the storm costs does not seem to require expedited review.

It is standard for the Department's Audit Department to audit Eversource's storm expenses prior to the DOE Regulatory Division issuing a Technical Statement. It is standard for the combined Audit and Regulatory Review to take approximately four to six months. *See* Dockets No. 23-051 and 22-031. A standard review period would result in a Department Technical Statement filed on or about July-September, 2024. The Department's standard process is foreseeable. Eversource could have sought review (and recovery) sooner than it has, and the Department ought not be required to rush its review as a result of Eversource's delay. Moreover, as stated above, due to the size of Eversource's request the Department cannot commit to meeting the standard four-to-six-month review timeframe in the present docket at this time.

Based on information and belief, Eversource may file its next distribution rate case in April or May of this year, a mere ten weeks from today. Therefore, an expedited review is not possible. DOE proposes that the parties discuss and file a proposed procedural schedule for Commission review, including but not limited to preliminary discussion of any recovery mechanism that Eversource may

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

Sincerely,

*/s/ Mary E. Schwarzer*

Mary E. Schwarzer  
Staff Attorney/Hearings Examiner  
Department of Energy

ClerksOffice@puc.nh.gov  
amanda.o.noonan@energy.nh.gov  
david.wiesner@eversource.com  
dean.desautels@eversource.com  
elizabeth.r.nixon@energy.nh.gov  
Energy-Litigation@energy.nh.gov  
jacqueline.m.trottier@energy.nh.gov  
karen.j.moran@energy.nh.gov  
mark.p.toscano@energy.nh.gov  
mary.e.schwarzer@energy.nh.gov  
nhregulatory@eversource.com  
ocalitigation@oca.nh.gov  
paul.b.dexter@energy.nh.gov  
sandra.gagnon@eversource.com  
Stephen.R.Eckberg@energy.nh.gov  
thomas.c.frantz@energy.nh.gov  
yi-an.chen@eversource.com

YI-AN CHEN  
EVERSOURCE ENERGY  
yi-an.chen@eversource.com

NHREGULATORY  
EVERSOURCE ENERGY  
nhregulatory@eversource.com

DEPARTMENT OF ENERGY  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
energy-litigation@energy.nh.gov

LIZ R NIXON  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
elizabeth.r.nixon@energy.nh.gov

DEAN DESAUTELS  
EVERSOURCE ENERGY  
dean.desautels@eversource.com

OCA LITIGATION  
OCA LITIGATION  
21 SOUTH FRUIT ST STE 18  
CONCORD NH 03301  
ocalitigation@oca.nh.gov

PAUL B DEXTER  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
paul.b.dexter@energy.nh.gov

MARY E SCHWARZER  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
mary.e.schwarzer@energy.nh.gov

STEPHEN ECKBERG  
DEPARTMENT OF ENERGY  
stephen.r.eckberg@energy.nh.gov

MARK P TOSCANO  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
mark.p.toscano@energy.nh.gov

THOMAS C FRANTZ  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
thomas.c.frantz@energy.nh.gov

JACQUELINE M TROTTIER  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
jacqueline.m.trottier@energy.nh.gov

SANDRA GAGNON  
124 BOUTWELL ST  
MANCHESTER NH 03102  
sandra.gagnon@eversource.com

DAVID WIESNER  
EVERSOURCE ENERGY  
david.wiesner@eversource.com

KAREN J MORAN  
DEPARTMENT OF ENERGY  
21 SOUTH FRUIT ST STE 10  
CONCORD NH 03301  
karen.j.moran@energy.nh.gov