

1 **STATE OF NEW HAMPSHIRE**2 **PUBLIC UTILITIES COMMISSION**

3 **July 30, 2024** - 10:01 a.m.
4 21 South Fruit Street
5 Suite 10
6 Concord, NH

7 **RE: DE 24-077 UNITIL ENERGY SYSTEMS, INC.:**
8 Petition for Approval of Revenue
9 Decoupling Adjustment Factor and
10 Proposed Tariff Changes.
11 **DE 24-080 UNITIL ENERGY SYSTEMS, INC.:**
12 Petition for Approval of Annual
13 Stranded Cost Recover and External
14 Delivery Charge Reconciliation and
15 Proposed Tariff Changes.

16 **PRESENT:** Chairman Daniel C. Goldner, *Presiding*
17 Commissioner Pradip K. Chattopadhyay
18 Ben Martin-McDonough, Esq., *PUC*
19 *Legal Advisor*

20 Doreen Borden, Clerk

21 **APPEARANCES:** **Reptg. Unitil Energy Systems, Inc.:**
22 Alice Davey, Esq.

23 **Reptg. Residential Ratepayers:**
24 Michael Crouse, Esq.
 Office of Consumer Advocate

Reptg. New Hampshire Dept. of Energy:
 Alexandra K. Ladwig, Esq.
 Elizabeth Nixon, Dir./Electric Division
 Jay Dudley, Electric Division
 Jacqueline Trottier, Electric Division
 Stephen Eckberg, Electric Division
 (Regulatory Support Division)

 Court Reporter: Steven E. Patnaude, LCR No. 52

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1	Revenue Decoupling Adjustment Factor Filing (05-24-24)	<i>premarked</i>
2	Stranded Cost Recovery and External Delivery Charge Filing (06-14-24)	<i>premarked</i>
3	RDAF Proposed Tariff	<i>premarked</i>
4	SCC/EDC Proposed Tariffs (including revision made on July 23, 2024)	<i>premarked</i>
5	Revised Schedules DTN-1, JMP-2, page 4, LSM-2, Pages 1 and 4, and LSM-4, Page 2 (07-23-24)	<i>premarked</i>
6	Department of Energy Technical Statement of Jacqueline M. Trottier, Jay E. Dudley, and Stephen R. Eckberg (07-23-24)	<i>premarked</i>
7	Supplemental Testimony of Linda S. McNamara and Associated Illustrative Tariffs (June 20, 2024)	<i>premarked</i>

P R O C E E D I N G

1
2 CHAIRMAN GOLDNER: Okay. Good morning.
3 I'm Commissioner Goldner. I'm joined today by
4 Commissioner Chattopadhyay.

5 We're here today for a hearing on the
6 consolidated dockets of DE 24-077, in which the
7 Commission docketed Unitil's Petition to adjust
8 its Revenue Decoupling Adjustment Factor, or
9 RDAF, and DE 24-080, in which the Commission
10 docketed Unitil's Petition -- pardon me -- Petition
11 to adjust both Stranded Cost Recovery and
12 External Delivery Charge. As all proposed rates
13 are for effect August 1st, 2024, as part of its
14 Petition to adjust their RDAF, Unitil has also
15 filed a motion to waive the RDAF Cap that was
16 part of the Settlement Agreement the Commission
17 approved in Docket Number DE 21-030.

18 Unitil filed a Joint Petition and
19 Exhibit List on July 23rd that includes proposed
20 Exhibit 1 through 6, but proposed Exhibit 7
21 late-filed yesterday was not included.

22 In addition to Unitil, the Department
23 of Energy and the Office of the Consumer Advocate
24 filed appearances. The DOE has filed an

1 objection to the Motion for Waiver, which the OCA
2 has joined. In addition, the DOE filed a
3 technical statement on each of the rate requests
4 filed by Unitil.

5 The Commission's jurisdiction over this
6 matter is based on the just and reasonable
7 ratemaking standard of RSA 374:2 and RSA 378:7.
8 This hearing was noticed on July 3rd, 2024.

9 To start, let's take appearances from
10 the parties here today, beginning with Unitil.

11 MS. DAVEY: Good morning,
12 Commissioners. Alice Davey, appearing on behalf
13 of Unitil Energy Systems, Incorporated. I'm
14 joined today by Evan Leake, a regulatory analyst
15 for the Company, and Joe Conneely, Director of
16 Energy Supply.

17 CHAIRMAN GOLDNER: Okay. Thank you.
18 The New Hampshire Department of Energy?

19 MS. LADWIG: Good morning,
20 Commissioners. Alexandra Ladwig, appearing on
21 behalf of the Department of Energy. I have with
22 me today Stephen Eckberg, Jacqueline Trottier,
23 and Jay Dudley, utility analysts for the
24 Department.

1 CHAIRMAN GOLDNER: Thank you. And the
2 Office of the Consumer Advocate?

3 MR. CROUSE: Good morning, Chairman
4 Goldner and Commissioner Chattopadhyay. My name
5 is Michael Crouse, flying solo from the OCA as
6 their Staff Attorney, representing residential
7 customers in this matter.

8 CHAIRMAN GOLDNER: Thank you. Okay.
9 Based the Petitions, the DOE's technical
10 statement, and the OCA's filing, we believe there
11 are just two contested issues with respect to
12 today's hearing.

13 The first is whether the Commission
14 should approve the original proposed RDAF rates,
15 filed on May 24th, or the revised rates filed on
16 June 20th? And, relatedly, whether the
17 Commission should waive the 3 percent RDA Cap?

18 The second issue relates to the
19 non-transmission portion of the EDC rate. The
20 DOE argues that the Commission should disallow
21 approximately \$12,000 in state education property
22 taxes, on the grounds that Unitil is exempt from
23 this tax, and therefore should not have paid it.
24 According to DOE, this reduction would not affect

1 the proposed EDC rate.

2 Otherwise, it seems that the parties
3 agree that the SCR and EDC rates are just and
4 reasonable, and therefore should be approved,
5 with the warning that the DOE requests that any
6 approval of the vegetation management expenses be
7 subject to future audit.

8 So, in your opening statement, please
9 let me know if I have accurately characterized
10 the contested issues. If I did, and having
11 reviewed the record in this case, we are prepared
12 to rule on the papers on the non-contested issues
13 in this docket and do not need further testimony
14 on these points. The parties could, therefore,
15 limit their testimony to the two contested
16 issues.

17 Additionally, Exhibit 7 was late-filed
18 yesterday, July 29th. Let us know in your
19 opening if you object to the late filing.

20 Okay. Now, I'll turn it over to the
21 parties to make opening statements, starting with
22 Unital.

23 Again, please let me know if I've
24 characterized the issues and your respective

1 positions, and whether you agree with the
2 approach of the hearing. In addition, please
3 comment on the late-filed exhibit issue, and if
4 you're okay with accepting Exhibit 7.

5 Let's start with opening, beginning
6 with the Company.

7 MS. DAVEY: Thank you, Chairman.

8 I believe that the Chairman has
9 accurately presented the issues on this case.
10 The Company is okay with the plan to -- that
11 you've laid out.

12 And I have no prepared opening, but
13 will reserve the right to make a closing.

14 CHAIRMAN GOLDNER: Okay. Thank you.
15 The New Hampshire Department of Energy.

16 MS. LADWIG: Yes. Thank you, Mr.
17 Chairman.

18 The Department believes you have
19 accurately characterized the issues, with the
20 exception that the Department would like to offer
21 some testimony on the vegetation management
22 concerns, just to be able to elaborate on those a
23 little bit further, even though those don't
24 affect the Department's ultimate recommendation

1 in this docket regarding the proposed vegetation
2 management reconciliation amount.

3 We don't have any objection to the late
4 filing of Exhibit 7.

5 And, again, the Commission accurately
6 characterized the Department's positions. That
7 the Department has reviewed the RDAF, the SCC,
8 and the EDC filings. And the only contested
9 issues, as you described, are that the Department
10 believes waiving the Cap on the RDAF is not
11 appropriate, and that the State Education Tax
12 amount included in the proposed EDC should be
13 disallowed.

14 CHAIRMAN GOLDNER: Thank you. And can
15 you expand on the Department's proposal to expand
16 on the vegetation management testimony? What
17 would be the purpose of that testimony?

18 MS. LADWIG: Of course. So, Docket
19 D3 -- apologies -- Docket DE 23-092, concerning
20 the review of the Company's recent Vegetation
21 Management Plan, is interrelated to this docket,
22 because the Commission's in that docket,
23 approving the Company's vegetation management
24 proposal, referenced issues to be considered in

1 the upcoming EDC filing. And, so, the
2 Department -- and the Department also has an
3 ongoing audit of the filing.

4 And, so, the Department thought it may
5 be helpful to the Commission, and, as part of its
6 role in completing the record, to expand upon the
7 Department's concerns, and kind of close the loop
8 on the Commission's directive from its order in
9 23-092.

10 CHAIRMAN GOLDNER: Okay. Thank you.
11 The Office of the Consumer Advocate.

12 MR. CROUSE: Thank you.

13 I hope it pleases the Commission to
14 hear that they were accurate in the issues
15 presented. The OCA doesn't think there is
16 anything else to discuss. Should the Department
17 wish to talk about vegetation management, the OCA
18 does not object.

19 With respect to Exhibit 7, the OCA does
20 not object.

21 Should I have forgotten anything that
22 you'd like to discuss, I will be sure to address
23 those if you tell me.

24 Otherwise, the OCA is prepared to

1 support the filing of Unitil, with the exception
2 of our objection to the RDAF Cap.

3 Thank you.

4 CHAIRMAN GOLDNER: Thank you. Okay.
5 So, the Commission will take a quick ten-minute
6 break, less than that probably. We'll return at
7 10:20, and we'll begin with the testimony at that
8 point, 10:20. Off the record.

9 *(Recess taken at 10:11 a.m., and the*
10 *hearing reconvened at 10:22 a.m.)*

11 CHAIRMAN GOLDNER: Okay. Just want to
12 go back to the vegetation management issue,
13 addressing the DOE.

14 Can you let us know what action or what
15 you are expecting the Commission to do at the end
16 of your testimony? Can you give us that
17 information up front?

18 MS. LADWIG: Sure. So, I think the
19 main purpose of the testimony would be addressing
20 the Commission order in DE 23-092, which the part
21 that stated "The Commission directs Unitil to
22 work with the DOE in the upcoming EDC docket to
23 determine what, if any, steps can be taken to
24 ensure the containment of costs surrounding the

1 REP and VMP Plans while also ensuring Unitil
2 continue to uphold industry practices for REP and
3 VMP."

4 I think the Department would just like
5 the opportunity to expand on how that's been
6 addressed in the EDC docket, and essentially
7 where things stand now with the Department's
8 audit, ongoing audit of costs coming from that
9 docket.

10 The Department isn't requesting any
11 kind of change in the proposed EDC in this docket
12 based on those concerns. That doesn't affect the
13 Department's recommended approval of the
14 vegetation management costs in the EDC in this
15 docket. We just wanted to highlight, again, and
16 kind of close the loop on that directive from
17 23-092.

18 CHAIRMAN GOLDNER: Okay. So, it really
19 takes the form of a status update?

20 MS. LADWIG: More or less. Correct.

21 CHAIRMAN GOLDNER: Okay. Does the
22 Company object?

23 MS. DAVEY: The Company does object
24 should the testimony skew outside of the scope of

1 this proceeding, which is to talk about the
2 actual accounting and reconciling of those costs.

3 And I would just like to note that,
4 while the Company does have a witness here who
5 can speak to the accounting of the Vegetation
6 Management Plan and how it was incorporated into
7 what was presented in our initial filing, we do
8 not have our vegetation management expert here,
9 who would be our Director of Sustainability and
10 Shared Services, who can actually talk about
11 tree-trimming and the programs, and what's
12 actually involved.

13 So, in the event that we wanted to
14 respond or put some testimony in response, we
15 don't have that person here.

16 CHAIRMAN GOLDNER: Okay. I'm going to
17 defer a ruling on this one until a little bit
18 later in the hearing. Attorney Ladwig is
19 correct, that the Commission did ask for this in
20 23-092. That's what we reviewed at the break.
21 On the other hand, we certainly understand the
22 Company's position as well.

23 So, I'll defer a ruling on that until
24 later, but we will rule on that before the day is

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 out. But, until then, we won't -- we won't
2 address the issue until the Commission rules on
3 it.

4 Okay. So, let's turn now to the
5 parties' testimony on the two contested issues.
6 The OCA is not presenting any witnesses today.
7 Unitil has five witnesses on my list, and four on
8 the stand. Can you help me, what's going on?

9 MS. DAVEY: Yes, Your Honor -- or, yes,
10 Mr. Chairman. We do not have a direct for
11 Mr. Leake.

12 CHAIRMAN GOLDNER: Okay.

13 MS. DAVEY: And it's my understanding
14 that the Department does not have any questions
15 for him.

16 CHAIRMAN GOLDNER: Okay.

17 MS. DAVEY: So, he is here should
18 somebody need to defer to him, or should the
19 Commission have questions. But we do not plan to
20 present him as a witness or have him sworn in at
21 this time.

22 CHAIRMAN GOLDNER: Okay. Okay, thank
23 you. The DOE has three witnesses for later.

24 Let's start with Unitil. And,

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Mr. Patnaude, if you could please swear in the
2 witnesses, and we'll start with Unutil direct.

3 *(Whereupon **LINDA S. McNAMARA,***
4 ***DANIEL T. NAWAZELSKI, JEFFREY M. PENTZ,***
5 *and **EMILY S. ANDERSON** were duly sworn*
6 *by the Court Reporter.)*

7 CHAIRMAN GOLDNER: Thank you. And
8 we'll begin with direct, and Attorney Davey.

9 MS. DAVEY: Thank you. We'll start
10 with Ms. McNamara.

11 **LINDA S. McNAMARA, SWORN**

12 **DANIEL T. NAWAZELSKI, SWORN**

13 **JEFFREY M. PENTZ, SWORN**

14 **EMILY S. ANDERSON, SWORN**

15 **DIRECT EXAMINATION**

16 BY MS. DAVEY:

17 Q Could you please state your name, employer and
18 position that you hold with the Company, and your
19 responsibilities in that position?

20 A (McNamara) Good morning. My name is Linda
21 McNamara. I'm a Senior Regulatory Analyst for
22 Unutil Service Corp. Part of my responsibilities
23 is the preparation of regulatory filings and
24 tariffs.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Q Thank you. Hearing Exhibit 1 is the initial
2 filing of the Company's Revenue Decoupling
3 Adjustment Factor filed May 24th, in Docket
4 Number 24-077. Hearing Exhibit 3 is the proposed
5 RDAF tariff, which includes -- which does not
6 include changes associated with the Motion -- the
7 Company's Motion for Waiver of the Cap. Hearing
8 Exhibit 7 includes the attachments to the
9 Company's June 20th Motion for Waiver of the
10 Revenue Decoupling Adjustment Cap. Hearing
11 Exhibit 2 is the initial filing of the Company's
12 Stranded Cost Recovery and External Delivery
13 Charge filing filed June 20 -- or, June 14th, in
14 Docket Number 24-080. Hearing Exhibit 4 is the
15 proposed tariffs associated with that filing.
16 And, finally, Hearing Exhibit 5 includes revised
17 schedules associated with an adjustment made to
18 the Company's External Delivery Charge
19 calculation. Included in these exhibits is your
20 prefiled testimony, as well as supporting
21 schedules. Were your direct testimonies and the
22 supporting schedules prepared by you or under
23 your direction?
24 A (McNamara) Yes, they were.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Q Do you have any corrections to your testimony or
2 schedules that you wish to make today?

3 A (McNamara) No.

4 Q And do you adopt your written testimony as your
5 sworn testimony in this case?

6 A (McNamara) I do.

7 Q Thank you. I will move now to Mr. Nawazelski.
8 Please state your name, employer, and position
9 that you hold with the Company, and your
10 responsibilities in that position?

11 A (Nawazelski) My name is Daniel Nawazelski. I
12 work for Unitil Service Corp. as the Manager of
13 Revenue Requirements.

14 Q As previously mentioned, Hearing Exhibit 2 is the
15 initial filing in the Company's Stranded Cost
16 Recovery and External Delivery Charge filing, and
17 Hearing Exhibit 5 includes revised schedules
18 associated with an adjustment made to that
19 calculation. Included in these exhibits are your
20 prefiled testimony, as well as supporting
21 schedules. Was your direct testimony and the
22 supporting schedules prepared by you or under
23 your supervision?

24 A (Nawazelski) Yes, it was.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Q And do you have any corrections to your testimony
2 or schedules that you wish to make today?

3 A (Nawazelski) No, I do not.

4 Q And do you adopt your written testimony as your
5 sworn testimony in this case?

6 A (Nawazelski) Yes, I do.

7 Q Thank you. I'll move now to Mr. Pentz. Please
8 state your name, employer, and position that you
9 hold with the Company, and your responsibilities
10 in that position?

11 A (Pentz) My name is Jeff Pentz. And I work for
12 Unitil. And I am the Supervisor of Energy
13 Supply.

14 Q Hearing Exhibit 2, as previously mentioned, and
15 Hearing Exhibit 5 include prefiled testimony by
16 you, as well as supporting schedules. Was your
17 direct testimony and the supporting schedules
18 prepared by you or under your direction?

19 A (Pentz) Yes, they were.

20 Q And do you have any corrections to your testimony
21 or schedules that you wish to make today?

22 A (Pentz) I do not.

23 Q And do you adopt your written testimony as your
24 sworn testimony in this case?

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 A (Pentz) Yes, I do.

2 Q And, finally, I will go with Ms. Anderson.

3 Please state your name, employer, and the
4 position you hold with the Company, and your
5 responsibilities in that position?

6 A (Anderson) My name is Emily Anderson. I work for
7 Unutil Services Corporation. I am the Supervisor
8 of Regulatory Accounting, and I'm responsible for
9 ensuring all aspects of regulatory accounting are
10 complete and accurate.

11 Q Thank you. And Hearing Exhibit 2 includes your
12 prefiled testimony, as well as supporting
13 schedules. Was your testimony and the supporting
14 schedules prepared by you and under your
15 direction?

16 A (Anderson) Yes.

17 Q And do you have any corrections to your testimony
18 or schedules that you wish to make on the stand
19 today?

20 A (Anderson) I do not.

21 Q And do you adopt your written testimony as your
22 sworn testimony in this case?

23 A (Anderson) Yes.

24 MS. DAVEY: These witnesses are

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 available for cross-examination.

2 CHAIRMAN GOLDNER: Okay. Let's start
3 with cross-examination, beginning with the
4 Department of Energy.

5 MS. LADWIG: Thank you.

6 At the moment, considering the issues
7 that the hearing has been narrowed down to, the
8 Department just has a couple questions on the
9 property tax issue.

10 **CROSS-EXAMINATION**

11 BY MS. LADWIG:

12 Q So, RSA 83-F governs utility property taxes. And
13 RSA 83-F:9 specifically provides that utility
14 property is exempt from State Education Taxes.
15 And I understand Unitil has removed some of the
16 amount of the State Education Taxes that was
17 included in its original filing from the amount
18 that it seeks to recover in the EDC. I believe
19 that was stated in the Utility's cover letter to
20 its exhibit filing, the amount that had been
21 removed.

22 However, there is still a State
23 Education Tax amount that the Company does seek
24 recovery for in the EDC. Could you please

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 explain what that amount is, and what the
2 Company's basis is for seeking recovery of that
3 amount?

4 A (Nawazelski) Sure. And just to go back, it may
5 be in the cover letter, but the Company did
6 exclude \$146.97 related to three -- or, actually,
7 two Concord properties that the Company believes
8 we were inadvertently charged the State Education
9 Tax for. So, that has been removed from the
10 filing.

11 Turning to the next part, there is one
12 parcel of land, that dollar amount is
13 \$11,704.70. That property is located in Exeter,
14 New Hampshire, at 30 Energy Way. It is where the
15 Company's Distribution Operating Center is for
16 its electric operations. And the Town of Exeter
17 assesses the Company the State Education Tax.

18 And my understanding is that it is
19 included there because it is not considered
20 "utility operations property". And, as such, the
21 City -- the Town is able to assess the Company
22 that State Education Tax. So, it's used and
23 useful, but it's not directly related to the
24 generation or distribution of electricity.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Q So, does that utility property, would that be
2 covered in the definition of "utility property"
3 in 83-F, or are you saying that falls outside of
4 the definition?

5 A (Nawazelski) Give me a moment while I pull up
6 83-F. And you're specifically at 83-F:9?

7 Q I believe the definitions of the "utility
8 property taxes" are in 83-F:1 -- sorry, the
9 definitions of "utility property".

10 A (Nawazelski) Just give me one moment while I
11 click over to that section.

12 And I'm sorry, could you just restate
13 the question?

14 Q Sure. The property that you're talking about
15 that the Company did pay State Education Taxes
16 on, does that fall outside of the definition of
17 "utility property" in 83-F:1?

18 A (Nawazelski) I believe, within 83-F:1, Section V,
19 it does reference "buildings and structures".

20 Q So, the building you're referencing would be
21 included in the definition of "utility property"
22 in 83-F:1?

23 A (Nawazelski) That is correct.

24 Q Okay. And, so, 83-F:9 reads "Persons and

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 property subject to taxation under this chapter
2 shall not be subject to tax under RSA 76:3", and
3 that's the statute providing for exemption from
4 State Education Tax.

5 Can you point me to any statute or
6 other basis you're referencing for this
7 particular property having to pay State Education
8 Taxes?

9 A (Nawazelski) No, I'm unable to do that. The
10 Company has done its best to reach out to
11 respective cities and towns when we are assessed
12 the State Education Tax.

13 I know that we have had conversations
14 with the Town of Exeter. My understanding is
15 that they assess us based on their understanding
16 of the laws and what they are allowed to assess
17 the Company on.

18 There is always ongoing discussions
19 with prospective cities and towns to see if that
20 is accurate, or if the Company is in agreement
21 with it. In this instance, the Company has been
22 assessed it. Had subsequent conversations with
23 the Town of Exeter, and has included it for
24 recovery.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 MS. LADWIG: Thank you. That's all the
2 questions I have on cross.

3 CHAIRMAN GOLDNER: Thank you. We'll
4 turn now to the Office of the Consumer Advocate.

5 MR. CROUSE: Thank you. I just have a
6 small series of questions that I'll direct to
7 Linda.

8 BY MR. CROUSE:

9 Q Linda, in your testimony, is it correct to say
10 that you believe now is a suitable time to waive
11 that 3 percent RDA Cap?

12 A (McNamara) Correct.

13 Q Is it also correct that you're familiar with the
14 Settlement Agreement from I believe it's DE
15 21-030?

16 A (McNamara) Yes.

17 Q I'm referencing Section 4.3 of that Settlement
18 Agreement, specifically the last sentence. Where
19 it states: "In the Company's next distribution
20 rate case, parties to that proceeding may propose
21 specific treatment of any carried balances
22 remaining at that time."

23 Since this is not the Company's next
24 base rate distribution case, could you expand on

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 why you think now is a suitable time?

2 A (McNamara) The Company's understanding was that
3 there is nothing in the Settlement or its tariff
4 that precludes it from proposing the collection
5 of the deferral at this time. That said, looking
6 at the numbers, the proposed EDC, the proposed
7 SCC, as well as the recent decrease in Default
8 Service, it was a modest decrease in Default
9 Service, but also will also be taking effect on
10 August 1, the RDAF rate, both the proposed rate,
11 the current rate, as well as the rate under the
12 deferral, are small numbers, in particular, in
13 comparison to the EDC.

14 And, based on the decrease to the EDC,
15 the decrease to Default Service, the Company felt
16 that it would be an appropriate time to make this
17 proposal and save ratepayers some interest.

18 Q Thank you. And just one follow-up question.
19 With not all parties present as signatories to
20 that Settlement Agreement, did that play a factor
21 in the Company's decision to make this Motion for
22 Waiver and what you testified?

23 A (McNamara) I'm not sure I understand your
24 question.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 Q Certainly. Allow me to rephrase, please. Clean
2 Energy New Hampshire, the Department -- I'm
3 sorry, the New Hampshire Department of
4 Environment Services are not here, and I believe
5 ChargePoint as well, since they were signatories
6 to the Settlement, did that affect your testimony
7 in stating "now is a suitable time", since they
8 don't have an opportunity to weigh in?

9 A (McNamara) I don't -- that was not a
10 consideration. The Company was purely looking at
11 the numbers. And, like I said, given the
12 decrease to the EDC and the decrease to the
13 Default Service, felt that it was prudent to make
14 the decision -- you know, to make this filing, to
15 save the interest for the customers.

16 MR. CROUSE: Thank you for your
17 explanations. That's all the questions I have on
18 cross.

19 CHAIRMAN GOLDNER: Thank you. We'll
20 turn now to Commissioner questions, beginning
21 with Commissioner Chattopadhyay.

22 CMSR. CHATTOPADHYAY: Good morning.

23 BY CMSR. CHATTOPADHYAY:

24 Q I'm going to the issue of \$11,704. So, that --

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 the Company has actually paid that, right?

2 A (Nawazelski) Yes, we have.

3 Q And just based on the discussion, or the
4 back-and-forth that DOE had with you just a while
5 ago, the property in question is -- you agree
6 it's a utility property?

7 A (Nawazelski) Yes. It's a multiuse property, but
8 it houses the Distribution Operation Center, as
9 well as some employees that are in the electric
10 operations side of things. But it is utility
11 property.

12 Q Is it entirely utility property or not?

13 A (Nawazelski) It is entirely utility property.

14 Q Okay. Is it the Company's position that that
15 amount is rightly paid to the Town, given the
16 statute that we talked about a while ago?

17 A (Nawazelski) I'm not the Tax Manager. I do
18 understand the issue that's been brought up by
19 the Department of Energy, and the reading of it.
20 I have not been on those conversations with the
21 Town. But I agree, by the reading of the law, it
22 seems that office buildings are includable as or
23 fall under the category of "utility property".

24 Q Okay. Do you know or are aware of any attempt by

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 the utility to dispute that tax? And I'm talking
2 formally. So, you know, and again, we both are
3 nonlawyers, so, you know, a gray area now. But I
4 just want to understand your perspective.

5 A (Nawazelski) I believe that we have, because now
6 this is our fourth year coming in for this cost
7 recovery filing related to this valuation change.
8 And I believe this issue has come up before
9 specifically related to this property. I was
10 trying to find that, but I couldn't find it. It
11 may have been in a DOE audit at some point, and
12 it was disputed there.

13 So, I believe that we have had
14 conversations. Sometimes these items bring it up
15 to the Company's attention. And I believe that
16 we have had conversations with the Town of
17 Exeter, but I have not been on those calls.

18 Q The previous times that this issue has been
19 raised, what happened at the end? Like, for
20 other such dollar amounts for previous years, was
21 it part of the rates or not?

22 A (Nawazelski) I believe in some years it has been
23 included, and some it has not. Unfortunately, I
24 don't have a clearly answer for if it's been

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 included every time. I believe last year it was
2 included for recovery. In prior years, the
3 Company has made adjustments as -- that came out
4 of either discussions with the Department of
5 Energy Regulatory Division or the Audit Division.

6 Q Okay. So, this is sort of a general question,
7 whether it's about the -- I hope I've written it
8 correctly, the \$146, or whether it is about
9 \$11,704. If that -- if the Commission decided
10 that is not part of the rates, how do you ensure
11 that, you know, even, you know, when you're going
12 through the dispute resolution, and if it doesn't
13 get resolved, how do you ensure that that doesn't
14 get picked up by the rates, by the -- you know,
15 it's not a burden -- it doesn't burden the
16 ratepayers? And I'm really talking about what
17 does that mean for the books? And I'm just
18 trying to understand. Do you have a sense of how
19 things play out, if the Commission said "No, this
20 cannot be part of the rates"?

21 A (Nawazelski) Sure. So, unfortunately, for the
22 Company, we have to pay whatever is assessed and
23 charged to the Company. If we don't, we will get
24 hit with late payment fees or possibly liens on

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 the property. So, we have to pay that, and it is
2 expensed when it is paid. So, from the
3 property -- or, from the business, or from
4 Unitil's side, we're paying that bill regardless
5 of what it is, and we'll dispute it
6 after-the-fact. We expense it at that time.

7 From a ratepayer recovery perspective,
8 we would exclude that from the filing and it
9 would not be built into these rates.

10 In terms of checks of how we're doing
11 this, I personally go through every single
12 invoice. I take out each piece of it, whether
13 it's State Education County Tax, and run that
14 through, come up with a total mill rate, and then
15 apply that to the valuation. So, I'm personally
16 checking that, and making sure that we're tying
17 out within the penny to each one of those values.

18 So, moving forward, and in the past, if
19 we see these items that the Company should not be
20 including, or if there was a late payment fee, we
21 do not include that for recovery.

22 CMSR. CHATTOPADHYAY: Thank you very
23 much. That was very helpful. Thanks.

24 WITNESS NAWAZELSKI: Yes.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 CHAIRMAN GOLDNER: So, just following
2 up on that quickly.

3 BY CHAIRMAN GOLDNER:

4 Q So, can you maybe resummarize the status of the
5 Company's dispute with the Town? Is that
6 something -- you have a -- you wrote a letter to
7 them, they wrote a letter back? I mean, what's
8 the status of the dispute?

9 A (Nawazelski) So, at this point, so, we --
10 typically, this is usually just via email, or
11 oftentimes over the phone with the town clerk/
12 town assessor's office. I do not have an update
13 on that.

14 But I can confirm that we will be
15 having conversations, if they're not already
16 ongoing to try to rectify that issue of whether
17 we are appropriately being assessed the State
18 Education Tax on that one parcel within Exeter.

19 Q Okay. And this is the \$11,700 issue, 11,704, I
20 think?

21 A (Nawazelski) \$11,704.70, yes.

22 Q To the penny?

23 A (Nawazelski) Yes.

24 Q Excellent. Okay. And this, the \$11,704.70, is

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 currently -- your proposal is to charge
2 ratepayers in this docket or it's not to charge
3 ratepayers in this docket?

4 A (Nawazelski) It is to charge them. It is
5 included for recovery.

6 Q Okay. And, if Eversouce -- if "Eversource" -- if
7 Unitil, sorry, were to be successful in the
8 dispute resolution, what then would happen?

9 A (Nawazelski) It's a good question. It would be
10 built into the rates this year. If we were to
11 have that resolution, I think you could probably
12 build in something to offset the next year's
13 recovery. I believe that should be the last year
14 of our filing, you could offset that by that
15 amount that the Company paid in this year.

16 Q Would that happen naturally in a Company filing?
17 Would that would be -- or, would the Commission
18 need to be involved in that kind of
19 reconciliation? Would we need to put that in
20 this order or would it fall out naturally in the
21 Company's process?

22 A (Nawazelski) I would probably say it's better to
23 be in an order. I think that kind of requires
24 the Company to do it. Not that I wouldn't be

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 required to do it anyways. But I guess I
2 wouldn't be -- I would say it would be a good
3 idea.

4 Q But you're running a large operation, this is a
5 relatively small issue. So, I can understand how
6 things could get lost over time. But that's
7 helpful. I think we can -- I think we can manage
8 that.

9 Okay. So, let me move on to the next
10 issue. So, I'm going to follow up on the OCA's
11 line of questioning earlier relative to, you
12 know, not all the parties are here in this docket
13 that were a part of the Settlement. And, so,
14 that's something that's weighing on my mind. You
15 can feel free to maybe add to the OCA's answer
16 earlier on that.

17 The second part of it is that, you
18 know, the 3 percent Cap sort of implied that
19 there was always going to be an over/under on
20 that. That's why there's a cap, is there's the
21 assumption that it could be more than the Cap.
22 And, so, in the Settlement, it was always
23 understood that there would be an interest rate
24 applied to that Cap. And, so, what I'm

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 struggling with is that that was sort of always a
2 part of the Settlement.

3 I think what's happening here is the
4 Company has said "Hey, the reality is we have a
5 \$97,000 interest expense that's now in play. And
6 maybe that's something the Commission and the
7 parties would like to consider, in terms of
8 saving ratepayer dollars." That's what it said.
9 Is that a fair summary of what the Company's
10 motivation was?

11 A (McNamara) Completely, yes.

12 CHAIRMAN GOLDNER: Okay. Okay. And I
13 believe that the position of the parties, and
14 we'll hear from the DOE witnesses here in a
15 moment, I believe the position of the parties is
16 that "Thank you, Unitil, for your proposal to
17 save ratepayers the \$97,000 due to the interest
18 rate. But we prefer to enforce the Settlement as
19 written, as opposed to the saving of the
20 \$97,000." So, the DOE can perhaps address that
21 in their testimony.

22 And, of course, I'm looking at the
23 Office of the Consumer Advocate, that can be
24 commented at closing as well.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 I'm just trying to synthesize what the
2 parties' positions are and what the Commission
3 should do about it.

4 Okay. Let's see. Just a moment
5 please.

6 *[Chairman Goldner and Atty. Martin-*
7 *McDonough conferring.]*

8 CHAIRMAN GOLDNER: Okay. This is just
9 a minor issue, before we go to redirect.

10 BY CHAIRMAN GOLDNER:

11 Q But can you summarize for us the status of the
12 \$146 issue? We're sort of lost on this minor
13 issue. Can you just help us understand what
14 should or shouldn't be in the order, from the
15 Company's point of view, relative to the \$146?

16 A (Nawazelski) Sure. So, in the Company's initial
17 filing, we included for recovery that \$146.97.
18 After subsequent conversations, the DOE
19 identified some of those amounts, that \$146, and
20 the Company made a subsequent revised filing to
21 exclude the \$146.97.

22 CHAIRMAN GOLDNER: Okay.

23 *[Chairman Goldner and Atty. Martin-*
24 *McDonough conferring.]*

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 BY CHAIRMAN GOLDNER:

2 Q Yes. And this is a totally separate amount and
3 issue than the 11,704, correct?

4 A (Nawazelski) Correct. And I believe the
5 Department of Energy filed the Company's response
6 that outlines those dollar amounts by parcel in
7 DOE Tech Session 1-1, Attachment 1.

8 CHAIRMAN GOLDNER: Okay. I see
9 Attorney Ladwig is nodding "yes", that's correct?

10 MS. LADWIG: Well, actually, we
11 neglected, by administrative error, to actually
12 include that page that's referenced in our tech
13 statement. So, we have copies of that, and we're
14 going to ask to essentially be included in our
15 tech statement, in Exhibit 6. And we can file
16 revised copies of that.

17 But, yes, Mr. Nawazelski is correct.
18 The Department intended to attach that, that was
19 referenced in the data response that was included
20 in the attachments to the Department's tech
21 statement.

22 CHAIRMAN GOLDNER: We are having a bad
23 day. We have traffic accidents here. We have a
24 late filing yesterday from the Company, and an

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 omitted page from the DOE. And, probably, the
2 Commission is not flawless either.

3 So, Mr. Chattopadhyay, do you have a
4 follow-on?

5 CMSR. CHATTOPADHYAY: Yes. Just trying
6 to make sure I'm following this.

7 BY CMSR. CHATTOPADHYAY:

8 Q So, the \$146.97 issue, that is something that the
9 Company has paid?

10 A (Nawazelski) Yes. So, we paid that. In our
11 technical session that the Company had with the
12 Department of Energy, that was identified. I
13 reviewed that parcel in greater detail, and
14 determined that the \$146 should not be included
15 for recovery. But it has been paid by the
16 Company to the town.

17 Q So, you haven't yet disputed it, though, the
18 payment with the town?

19 A (Nawazelski) To my knowledge, we have not. But
20 that is, usually after every one of these
21 filings, I reach out to our Tax Department and go
22 through each one of these issues and ask them to
23 reach out to the town.

24 Q Okay. And you will be pursuing that, right?

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 A (Nawazelski) Yes, I will.

2 Q And I think, this amount is not as large as the
3 other \$11,704, but the same issue applies or is
4 relevant there, too. So, it would be good to
5 know what processes do you have in place to take
6 care of such a dispute? Because, essentially,
7 you said that on the stand today, that "yes, it
8 is a utility property." So, I just wanted to
9 flag that.

10 A *[Witness Nawazelski indicating in the*
11 *affirmative].*

12 CMSR. CHATTOPADHYAY: Thank you.

13 CHAIRMAN GOLDNER: Okay. And let's
14 move now to redirect.

15 MS. DAVEY: Chairman, I do believe we
16 might have a brief redirect. Could I please
17 request a short break?

18 CHAIRMAN GOLDNER: Sure. And, when we
19 come back, the Commission can also rule on the
20 vegetation management, to clean that up before
21 the witnesses leave the stand.

22 So, how much time would you need?

23 MS. DAVEY: Ten minutes.

24 CHAIRMAN GOLDNER: Okay. Let's return

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 at 11:05.

2 MS. DAVEY: Thank you.

3 CHAIRMAN GOLDNER: Off the record.

4 *(Recess taken at 10:56 a.m., and the*
5 *hearing reconvened at 11:08 a.m.)*

6 CHAIRMAN GOLDNER: Okay. We'll go back
7 on the record. Attorney Davey.

8 MS. DAVEY: After conferring, the
9 Company does not have any redirect.

10 CHAIRMAN GOLDNER: Okay. I just want
11 to clarify a couple of things before we release
12 the witnesses.

13 One is, Attorney Davey, if you can
14 maybe summarize the Company's position on the
15 property tax issues? We had a good discussion
16 with the witnesses, but I want to make sure I
17 understand the Company's position.

18 MS. DAVEY: So, my understanding is
19 that the Company has -- is categorizing this as
20 utility property, and is in the process of
21 disputing the Education Tax that was assessed.
22 And that the Company did pay the assessed tax, in
23 order to comply with what was assessed. And
24 we're in the process of disputing and explaining

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 that we are actually exempt from that Education
2 Tax.

3 Should that be refunded to the Company,
4 then the Company would -- that would flow through
5 the reconciling of this filing.

6 CHAIRMAN GOLDNER: Okay. Okay.
7 Commissioner Chattopadhyay, any other questions?

8 CMSR. CHATTOPADHYAY: This may have
9 been covered, but I just want to make sure,
10 because we had some conversation internally.
11 That the \$11,704, does that impact the rates?

12 MS. DAVEY: No, it does not.

13 CMSR. CHATTOPADHYAY: Because it's --

14 MS. DAVEY: And I actually was just
15 about to say that. It does not change the rate,
16 which is why there's no request for change in
17 rate included in Exhibit 5. Exhibit 5 simply
18 contains updated calculations and numbers. But
19 the rate -- resulting rate does not change.

20 CMSR. CHATTOPADHYAY: So, whether it's
21 in it or not doesn't change a digit?

22 MS. DAVEY: For the 146, 146. For the
23 11,000, the Company has not proposed to remove
24 that. I believe I heard the Department say that

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 it "wouldn't change the rate should it be
2 removed". However, the Company did not present
3 that.

4 CMSR. CHATTOPADHYAY: Okay.

5 WITNESS NAWAZELSKI: Yes.

6 MS. DAVEY: It looks like Mr.
7 Nawazelski can provide the response on the
8 11,000.

9 WITNESS NAWAZELSKI: Sure. Yes. So,
10 the 146 adjustment --

11 CMSR. CHATTOPADHYAY: Yes.

12 WITNESS NAWAZELSKI: -- impacted
13 nothing.

14 CMSR. CHATTOPADHYAY: Yes.

15 WITNESS NAWAZELSKI: The 11,704, I know
16 Linda is probably frantically doing that, I think
17 it would probably change it by 0.0001, if it were
18 to be excluded.

19 And, if there were to be a credit,
20 after a dispute with the Town in next year's
21 filing, it would all be reconciled back to
22 this -- this cost recovery filing would be
23 adjusted to what it ultimately should have been,
24 if that ultimately is decided.

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 CMSR. CHATTOPADHYAY: Thank you.

2 CHAIRMAN GOLDNER: And just to wrap up,
3 Attorney Davey. So, it's just kind of in the big
4 picture, the struggle that we're having is the
5 Company's incentive to win the dispute, because
6 ratepayers pay for it if the Company is
7 unsuccessful.

8 So, can you maybe touch on that for the
9 Commission, on the Company's incentive?

10 MS. DAVEY: That, should the Company
11 win this dispute, which it's already engaged in,
12 is my understanding, we would always flow that
13 back through.

14 And in the -- and that our interest is
15 that we would like to not be assessed that tax in
16 the future. So, we would like to clear that up
17 with the Town of Exeter, so that it's very clear
18 what taxes should and shouldn't be assessed on
19 the Company now or in the future.

20 CHAIRMAN GOLDNER: Okay. Okay, thank
21 you.

22 Okay. So, before the witnesses leave
23 the stand, I just want to sort of disposition the
24 vegetation management issue. Then, we can

[WITNESS PANEL: McNamara|Nawazelski|Pentz|Anderson]

1 dismiss the witnesses, and call the DOE witnesses
2 to the stand.

3 So, I'll just say that we appreciate
4 and recognize that we requested the DOE and
5 Unutil to work together in this docket to address
6 potential methods of containing costs relative to
7 vegetation management. And we appreciate that
8 the DOE has undertaken the effort, these efforts
9 at our request.

10 But, since we don't need to address
11 these issues to resolve Unutil's position today,
12 and further, the Unutil witness or ability to
13 dispute that is not available today, we believe
14 it's appropriate to hear testimony on this
15 issue -- we don't believe it's necessary to hear
16 testimony on this issue today. We request that
17 the DOE raise these issues at a later date, when
18 the Commission can squarely address the Unutil's
19 vegetation management expenses.

20 So, with that, clearing up what we're
21 talking about today, I'll ask if there's any
22 questions, and then we'll dismiss the Unutil
23 witnesses and move to the Department witnesses.
24 Anything else?

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 *[No verbal response.]*

2 CHAIRMAN GOLDNER: Okay. Seeing none.
3 I'll thank the witnesses for their testimony
4 today. Sorry about bad traffic on 93. And the
5 witnesses are dismissed. Thank you.

6 And, then, at this time, we'll call the
7 DOE's witnesses to the stand. And, when they're
8 settled in, Mr. Patnaude, if you could please
9 swear in the witnesses.

10 *[Mr. Patnaude conferring with Chairman
11 Goldner on witnesses to be sworn in.]*

12 CHAIRMAN GOLDNER: Mr. Dudley is not --
13 I have three listed on my --

14 MS. LADWIG: Yes. Mr. Dudley's purpose
15 in being here was to address the vegetation
16 management issues. So, since we're not covering
17 that today, unless the Commission would like him
18 up there, I don't have any questions for him.

19 CHAIRMAN GOLDNER: Okay. Thank you.
20 Please swear in the two witnesses.

21 *(Whereupon **JACQUELINE M. TROTTIER** and
22 **STEPHEN R. ECKBERG** were duly sworn by
23 the Court Reporter.)*

24 CHAIRMAN GOLDNER: Thank you. We'll

[WITNESS PANEL: Trottier|Eckberg]

1 begin with direct, and Attorney Ladwig.

2 MS. LADWIG: Thank you.

3 **JACQUELINE M. TROTTIER, SWORN**

4 **STEPHEN R. ECKBERG, SWORN**

5 **DIRECT EXAMINATION**

6 BY MS. LADWIG:

7 Q Could you please each identify yourself by
8 stating your name and position with the
9 Department?

10 A (Trottier) My name is Jacqueline Trottier, and
11 I'm a Utility Analyst within the Regulatory
12 Support Division of the Department of Energy.

13 A (Eckberg) And my name is Stephen Eckberg, and I
14 also am a Utility Analyst with the Regulatory
15 Support Division of the Department of Energy.

16 Q Did you prepare and submit a technical statement
17 in this docket on July 23rd, 2024? And, when I
18 say "this docket", it's referring to 24-077 and
19 24-080 that have been consolidated.

20 Did you prepare and submit a technical
21 statement in that docket on July 23rd, 2024,
22 that's marked as "Exhibit 4" -- or, sorry,
23 "Exhibit 6"?

24 A (Trottier) Yes, I did.

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[WITNESS PANEL: Trottier|Eckberg]

1 A (Eckberg) Yes. I -- yes. I collaborated with my
2 colleagues, Ms. Trottier and Mr. Dudley, to
3 produce that document, which is marked as
4 "Exhibit 6".

5 Q Thank you. Do you have any corrections you'd
6 like to make to that statement at this time?

7 A (Eckberg) I would say "no corrections". Though,
8 we do have one minor administrative addition,
9 which I think we'll get to shortly. But no
10 corrections to any statements or content of that
11 technical statement, no.

12 Q Thank you. And did you review the Petitions and
13 testimonies submitted by Unitil in this docket?

14 A (Trottier) Yes.

15 A (Eckberg) Yes.

16 Q Was there any other information you reviewed in
17 preparing your recommendation in this docket?

18 A (Trottier) No.

19 A (Eckberg) Well, we reviewed additional
20 information that came to us in the form of data
21 responses from the Company that we conducted in
22 the course of our review of the Company's filing.

23 Q Thank you. I should have asked. Could you
24 describe how you reviewed the filing and prepared

[WITNESS PANEL: Trottier|Eckberg]

1 your recommendation?

2 A (Eckberg) So, we, well, as Ms. Trottier said, we
3 reviewed the materials the Company provided. We
4 conducted -- we issued written discovery
5 questions. We held a technical session to
6 discuss the filing and those responses that we
7 got from the Company. We subsequently issued
8 some technical session data requests as well to
9 further clarify some issues. And those were --
10 all of that material together was informative of
11 what we presented in our technical statement.

12 Q Thank you. Now, I want to ask about the RDAF
13 specifically. Did you review the Company's RDAF
14 calculation methodology that was contained in the
15 Settlement Agreement in Docket Number DE 21-030,
16 as well as enshrined in the Company's tariff?

17 A (Trottier) Yes, I did.

18 Q And the Company submitted the Testimony of Linda
19 S. McNamara on May 24th, 2024, regarding the
20 proposed RDAF as part of its Petition filed in
21 Docket Number DE 24-077. Do you believe the
22 proposed RDAF in that testimony, the "original
23 testimony" we'll call it, filed on May 24th,
24 2024, was calculated correctly, according to the

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[WITNESS PANEL: Trottier|Eckberg]

1 methodology outlined in the Settlement Agreement
2 and the Company's tariff?

3 A (Trottier) Yes, I do.

4 Q And the Company submitted the Supplemental
5 Testimony of Linda S. McNamara on June 20th,
6 2024, in that same document -- in that same
7 docket, along with a Motion to Waive the Revenue
8 Decoupling Adjustment Cap. Do you believe the
9 proposed RDAF in that testimony was calculated
10 correctly and consistent with the methodology
11 outlined in the Settlement Agreement and in the
12 Company's tariff?

13 A (Trottier) No. Given that the Settlement
14 Agreement stated that we would address the Cap
15 during the Company's next rate case, I do not
16 believe that it conforms with the Settlement
17 Agreement.

18 Q Thank you. Moving over to the issue of property
19 taxes. Did you review the Company's proposed
20 property tax reconciliation in this docket?

21 A (Eckberg) Yes, we did. And there is information
22 in our technical statement, beginning on Page 5,
23 and carrying onto Page 6, regarding our review of
24 the property tax amounts included here. And

[WITNESS PANEL: Trottier|Eckberg]

1 there is a recommendation to the Commission that
2 the amount of \$11,852 in State Education Tax,
3 which was included, should not be included and
4 paid for by ratepayers. And, in addition, we
5 included several tech session data requests,
6 which provided additional detailed information
7 about that issue.

8 For example, if you look at our
9 technical statement, that is Exhibit 6, and at
10 Bates Page 011, you'll see a technical session
11 data response from the Company. And, in their
12 response to our first part of that question, we
13 asked the Company to "Please provide a schedule
14 that showed the total amount of state education
15 taxes which were paid", and included -- they
16 provided a schedule to us, which, as we mentioned
17 earlier in the hearing today, we inadvertently,
18 through an administrative oversight, did not
19 include that attachment, but we have heard this
20 morning about the amounts that were itemized on
21 that schedule.

22 We do have that schedule available, if
23 it would be helpful to provide a copy to the
24 Commissioners and others at the moment.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 MS. LADWIG: And perhaps I'll ask the
2 Commission. We do have paper copies that we can
3 distribute to everyone in the room. If it's
4 possible, or the Commission thinks it's
5 necessary, to revise -- provide a revised
6 technical statement in Exhibit 6 to include this
7 attachment, then we would request that the
8 Commission allow that revision to happen?

9 CHAIRMAN GOLDNER: Yes. Please
10 distribute the paper copies to the parties, and
11 then we will accept a revised Exhibit 6.

12 MS. LADWIG: Thank you.

13 WITNESS ECKBERG: And I believe what
14 you'll see on that attachment, which was provided
15 to us by the Company in response to our technical
16 session data request, you will see the numbers
17 which were identified in our technical statement,
18 the "\$11,852". It's actually "\$11,851.68",
19 rounded up for convenience. You will see the
20 \$11,704, which I believe Commissioner
21 Chattopadhyay derived on his own initiative,
22 doing some arithmetic. I'm not aware that we
23 mentioned that number anywhere. But that number
24 is derived by the 11,852, less the \$146.98, which

[WITNESS PANEL: Trottier|Eckberg]

1 was an amount that the Company had said was an
2 error, and was excluding from its schedules in
3 Exhibit 5, I believe. And, however, the Company
4 has not proposed to exclude the 11,704 amount.

5 So, the technical statement, our joint
6 technical statement, recommended removal of
7 \$11,852. However, the Company has already
8 proposed to -- or, has actually already proposed
9 to remove \$147 in its Exhibit 5, leaving \$11,704,
10 if I've done the math correctly. As, you might
11 say, an adjusted additional amount, which might
12 need to be excluded from the EDC.

13 And I do believe that it's not
14 necessary to change the rates, which have been
15 proposed here today. Because, as the Company
16 witnesses said, that additional amount, if the
17 Commissioners were to agree with our -- the DOE's
18 position, that amount could be adjusted in next
19 year's EDC through a reconciliation or an
20 adjustment to that amount.

21 MS. LADWIG: Thank you.

22 BY MS. LADWIG:

23 Q I believe, unless there's anything else from the
24 witnesses, Mr. Eckberg, do you have any other

[WITNESS PANEL: Trottier|Eckberg]

1 comments on your review of the Company's proposed
2 property tax amount in the EDC?

3 A (Eckberg) I think I've covered that one as
4 thoroughly as I -- I've tried to cover it as
5 thoroughly as I could. There may be some
6 remaining issues, we'll see, when we have
7 questions from the Commissioners.

8 MS. LADWIG: Sounds good. Thank you.
9 That is all I have on direct.

10 CHAIRMAN GOLDNER: Thank you. We'll
11 move to cross, beginning with the Office of the
12 Consumer Advocate?

13 MR. CROUSE: Thank you. The OCA has no
14 cross questions for the Department.

15 CHAIRMAN GOLDNER: Thank you. And,
16 then, we'll move now to the Company?

17 MS. DAVEY: The Company has no
18 questions for these witnesses. Thank you.

19 CHAIRMAN GOLDNER: Very good. And, so,
20 we'll move now to Commissioner Chattopadhyay.

21 CMSR. CHATTOPADHYAY: I don't have any
22 additional questions. I was going to make sure
23 the calculations were correct, but we are more or
24 less on track. So, thank you.

[WITNESS PANEL: Trottier|Eckberg]

1 BY CHAIRMAN GOLDNER:

2 Q Does the Department have any advice for the
3 Commission relative to status updates, or what's
4 happening with these I guess it's five line
5 items? If we make any adjustment in next year's
6 EDC, how would the Department recommend that the
7 Commission handle that sort of reconciliation
8 process?

9 A (Eckberg) I'm not quite clear on what you're
10 asking, Mr. Chairman.

11 Q No problem. So, if we allow the Company to
12 recover the total here that you're showing as
13 "11,851.68", if we allow recovery of that in this
14 year's EDC rate, the Company has already said
15 that they're working with the towns to sort out
16 the appropriate charge, if there is any kind of
17 adjustment that the Company realizes in that
18 dispute, does the Department have a
19 recommendation for how that adjustment is
20 managed?

21 And I'm thinking about the ordering
22 clauses in our order. Would you have a
23 recommendation in terms of how we would address
24 that sort of reconciliation for these charges?

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 A (Eckberg) Well, consistent with our technical
2 statement, I think we would recommend that the
3 Commission remove the remaining \$11,704 from the
4 EDC amount this year. Now, that would not
5 necessarily, as I've said, need to change the
6 rate. I think we heard from Ms. McNamara that it
7 would be a very, very small actual impact on the
8 rate. That may not be worth going through the
9 exercise of doing that with updated schedules and
10 everything. But I think that directing the
11 removal of that amount could then be worked
12 into -- worked through the Company's
13 reconciliation in the subsequent year.

14 Q So, that I just want to repeat back and make sure
15 I understand. The Department's recommendation is
16 to remove the 11,704.70 from the EDC rate this
17 year. And, then, to the extent that there's a
18 reconciliation required, that would be adjusted
19 next year?

20 A (Eckberg) I think I would phrase it a little bit
21 differently. I think I would say "remove the
22 11,704 from the EDC amount, and leave the rate
23 exactly as the Company has filed it." That is
24 something that the Commission still needs to

[WITNESS PANEL: Trottier|Eckberg]

1 determine, I believe, whether to approve the
2 original filed rate, or whether to, in other
3 words, the schedules with the original exhibit or
4 the schedules with the modified proposal,
5 Exhibit 5. That this is sort of a separate
6 issue, but I got to make sure I don't confuse
7 myself here.

8 But I think that removing the 11,704,
9 let's just pick an example, like, if the Company
10 wants -- if the proposal is to collect a million
11 dollars through the EDC, our recommendation would
12 be to reduce that by \$11,704, so that they would
13 be collecting a little bit less than -- approved
14 to collect a little bit less than a million
15 through the EDC. And that adjusted number would
16 be what they would be reconciling against when
17 they do their reconciliation of this year's EDC
18 in next year's EDC filing.

19 Q I see. But, because we have an August 1st
20 implementation date, you would recommend not
21 changing the rate proposed by the Company?

22 A (Eckberg) Right, because that would require more
23 work, updated schedules, *et cetera, et cetera*,
24 yes.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 CHAIRMAN GOLDNER: Gotcha. This was a
2 two-cup-of-coffee hearing today. So, that was
3 complicated, but I appreciate the clarification.

4 WITNESS ECKBERG: Well, hopefully,
5 you're not drinking decaf?

6 CHAIRMAN GOLDNER: No. And I only had
7 one cup of coffee. So, it's been a tough day.
8 So, thank you, Mr. Eckberg, that is very helpful.
9 And I think -- I think now all is clear.

10 So, I just want to hit the other topic,
11 before we -- before we move to redirect.

12 BY CHAIRMAN GOLDNER:

13 Q So, I understand the Company's and appreciate the
14 Company's motivation. The Company did the math,
15 and they said "Well, gee, since the Prime Rate is
16 so much higher than what we expected at the last
17 rate case, we have an idea to save ratepayers
18 \$97,000." And, so, that's appreciated. The
19 Company is trying to do the right thing on behalf
20 of the ratepayers.

21 I'm also respectful of the fact that,
22 at the Settlement, everyone knew what the Prime
23 Rate -- that there was a Prime Rate attached,
24 everyone knew there was a 3 percent Cap, and

[WITNESS PANEL: Trottier|Eckberg]

1 everyone understood that, and all the parties
2 signed off on the Settlement.

3 So, I can hold up both of those
4 thoughts in my head at the same time. But
5 maybe -- maybe tell me a little bit more about
6 the Department's position of why this proposal to
7 save \$97,000 is something that the Department
8 can't support?

9 MS. LADWIG: Mr. Chairman, --

10 CHAIRMAN GOLDNER: Yes.

11 MS. LADWIG: -- if I may interject? I
12 did not ask questions from my witnesses about
13 that on cross, because I believe our position is
14 a little more based purely in legal argument.
15 So, I would like to make an argument on that,
16 whenever the Commission feels the opportunity is
17 appropriate.

18 CHAIRMAN GOLDNER: Sure. Yes. Now
19 would actually be the perfect time. Go ahead
20 please.

21 MS. LADWIG: Thank you. So, we would
22 rest mostly on the arguments contained in our
23 objection. But I want to touch on and elaborate
24 on three points.

[WITNESS PANEL: Trottier|Eckberg]

1 First, as the Commission mentioned, and
2 as included in our objection, we think it's
3 important to honor settlement agreements, not
4 just this, but settlement agreements in general.

5 This effects other parties' rights, as
6 has been stated. There are parties that were
7 parties to the Settlement Agreement and parties
8 to the settlement negotiations in DE 21-030 that
9 established this decoupling mechanism. And,
10 also, importantly, it was a distribution rate
11 case. So, a lot of factors were considered and
12 went into that Settlement. And, so, I think it
13 would be concerning to go against, essentially,
14 that Settlement, that was based on lots of
15 discussions, lots of testimony, and was approved
16 by the Commission.

17 I think, since this would potentially
18 affect the rights of other parties to the
19 Settlement, there would possibly need to be an
20 opportunity for a rehearing, or an ability for
21 those parties to challenge this proposal. I'm
22 not sure what that process would require or
23 entail, and who would pay any costs associated
24 with that process.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 So, I think, on its face, the Company
2 can say "This is saving exactly \$97,000." But I
3 think wading into this territory could also raise
4 some unknown costs.

5 I also want to bring up the Company's
6 gas affiliate, Northern Utilities, has a very
7 similar revenue decoupling mechanism, with very
8 similar language in its Settlement Agreement in
9 DG 21-104 that established that decoupling
10 mechanism. The language in that Settlement,
11 regarding the treatment of carryforward balances
12 was consistent with the language in the
13 Settlement Agreement that approved Unitil's
14 revenue decoupling mechanism.

15 And there was a recent decoupling
16 docket for Northern where -- in DG 23-086, where
17 the Department raised an argument about the
18 carryforward position of the Settlement, and
19 wanted to be able to reserve the right to argue
20 about that as part of the company's next rate
21 case, consistent with the portion of the
22 Settlement that has been brought up regarding the
23 parties would consider how to treat any remaining
24 carryforward balances at the time of the next

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[WITNESS PANEL: Trottier|Eckberg]

1 rate case.

2 In the Commission's order in that
3 docket, the Commission approved Northern's
4 requested RDAF amount, but declined to rule on
5 the carryforward argument, because the Commission
6 decided they did not need to answer that question
7 to approve Northern's petition.

8 Similarly, the Department would like to
9 reserve its right to argue, if it chooses, about
10 any remaining carryforward balance in Unitil's
11 next rate case. And, so, I think that's another
12 reason why we're concerned with departing from
13 this position, because it's an argument that
14 we've raised, and an argument that the Commission
15 has considered in the Company's gas affiliate.

16 And, finally, this is kind of awkward,
17 and it's, I think, been brought up, that this is
18 an interesting proposal, where the Company
19 appears to be basing their request solely on
20 saving ratepayers this 97,000. And, so, it
21 seems, understandably, a bit awkward to argue
22 against that. I think we have a couple points to
23 that.

24 One would be, if the situation was

[WITNESS PANEL: Trottier|Eckberg]

1 reversed, and the utility had to return money,
2 what would that look like? There's not -- since
3 there's not a provision for that in settlement,
4 it's not tied to settlement, I don't think there
5 would be a guarantee that the same thing could
6 happen in the opposite scenario, that there could
7 be a waiver, and the Company would have to return
8 all the money.

9 And the other awkward thing is, it's
10 not the Company's role to argue on behalf of
11 ratepayers. And, again, I understand that's a
12 weird argument to make, but I don't think that
13 the Company legally has standing to make
14 arguments for ratepayers. The Commission is the
15 one tasked with balancing the interests of
16 ratepayers and shareholders, according to RSA
17 363:17-a. And the Commission found, in its order
18 approving the Settlement Agreement, that
19 established the decoupling mechanism in the
20 Company's last rate case, that the mechanism,
21 specifically the provision, or it even -- the
22 order even specified that the Cap provision, the
23 carryforward amount would be "expected to produce
24 just and reasonable distribution rates when

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[WITNESS PANEL: Trottier|Eckberg]

1 properly implemented". And that's from Order
2 Number 26,623, in Docket DE 21-030, on Page 25.

3 So, again, the Commission considered
4 the provisions of this mechanism when it was
5 established. The Commission found that the
6 mechanism, as established, would result in just
7 and reasonable rates. I think it would be
8 difficult, and, again, open up a whole other
9 possible set of processes, to go back and make a
10 decision that departs from that, that
11 consideration and order and Settlement Agreement
12 in that case.

13 And I think another piece of the
14 argument of utilities arguing almost on behalf of
15 ratepayers is -- I think this also opens the
16 conversation to whether utilities have a duty to
17 always minimize costs for ratepayers, like
18 carrying charges. And, while that may be
19 something that seems right or noble, I think it
20 would be incredibly difficult to enforce, and
21 kind of just a can of worms, to say that this
22 sets a precedent that utilities should always try
23 to minimize costs to protect ratepayers.

24 And, so, those, again, we'd rest on the

[WITNESS PANEL: Trottier|Eckberg]

1 arguments in our objection, as well as the points
2 that I just discussed. And that, again, we know
3 it's a little awkward to argue against saving
4 ratepayers money. But the implications of that,
5 as far as breaking a settlement agreement,
6 without consent of other parties to that
7 agreement, the legal implications, any further
8 process involved, and the unclear precedent that
9 this would set, are the reasons that we ask that
10 the Commission not approve the Company's request
11 to waive the Decoupling Cap.

12 CHAIRMAN GOLDNER: Thank you.

13 So, the first thing I'll say is that,
14 when the Company files its next rate case, which
15 seems likely to be next year, I'm hopeful -- the
16 Commission is hopeful that carrying charges are
17 front and center in that discussion in that rate
18 case, so that the Prime Rate discussion is had,
19 because that rate, at the moment at least, is
20 quite high, relative to the Company's cost of
21 debt.

22 Second thing I'll say is that, a
23 question for you, Attorney Ladwig, following up
24 on your summary. So, here's where I struggle.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 So, if the rights of the parties are affected, to
2 me, if the Company were taking more money, then
3 the rights of the parties would be affected.
4 But, if the parties are getting more money, then
5 the rights of the parties, they're benefiting
6 from that transaction, so the rights aren't
7 affected, at least to my way of thinking.

8 Can you comment on that thought
9 process?

10 MS. LADWIG: All right. So, I would
11 say that the parties to the Settlement Agreement,
12 like, that aren't here today, like Clean Energy,
13 ChargePoint, DES, they're not getting that money
14 or benefiting from that extra money, and they
15 signed onto a Settlement Agreement with the
16 understanding that this is how this mechanism
17 would work.

18 So, I'm not sure that -- I mean, they
19 might support that argument, that it would be a
20 great idea to get this money returned to
21 ratepayers. But I really don't think we can make
22 arguments or speculate on the position of other
23 parties to the Settlement when they're not here.

24 CHAIRMAN GOLDNER: I suppose you could

[WITNESS PANEL: Trottier|Eckberg]

1 make the argument that they're "not benefiting",
2 but it would be -- I don't know how one could
3 make the argument that they're harmed?

4 MS. LADWIG: Right. I think the
5 argument that "they're harmed" isn't because of
6 the amount of money in question. I think it's
7 that this provision of the Settlement Agreement
8 that they signed onto is being altered without
9 them necessarily having the ability to object or
10 comment on it. And it's something, presumably,
11 that the parties reviewed in the rate case.
12 They, I presume, reviewed the proposed mechanism,
13 and decided, based on their review, that this was
14 the appropriate mechanism, and they signed onto a
15 Settlement Agreement that said that.

16 And, so, I think, really, the harm, the
17 way that their rights would be harmed would be
18 this goes against the Settlement Agreement that
19 they signed onto with the expectation that
20 this -- these provisions would be how it's
21 implemented.

22 CHAIRMAN GOLDNER: Thank you. And I
23 think, again, projecting into the next rate case,
24 these are lessons learned, I think, that everyone

[WITNESS PANEL: Trottier|Eckberg]

1 will benefit from, the Commission and the
2 parties, so that -- so that, in the next rate
3 case, these issues can be handled, I think, in
4 maybe a little bit of an improved way.

5 Okay. Very good. I think that is all
6 that I have for the witnesses.

7 Commissioner Chattopadhyay, you have a
8 follow-up?

9 BY CMSR. CHATTOPADHYAY:

10 Q Can you confirm what's the total Delivery Charge
11 that this, if this, the request, is approved,
12 what would that be?

13 A (Eckberg) I'm sorry, could you reiterate that
14 question? I'm not quite following.

15 Q So, I'm going to help you a little bit on this.
16 If you look at Hearing Exhibit 2, and it's Bates
17 Page 038.

18 A (Eckberg) I'll need a moment to get there.

19 Q Sure. Take your time.

20 A (Eckberg) No, I think I'm going to need another
21 moment to access that document, unless my
22 colleague has it up?

23 A (Trottier) I'm trying.

24 Q And this is Exhibit 2, but, eventually, you know,

[WITNESS PANEL: Trottier|Eckberg]

1 the revised rates are in Exhibit, I think, 5, to
2 the best of my understanding. So, I'm just
3 trying to get a sense of, do you know what the
4 total Delivery Charge would be after this?

5 A (Eckberg) The total which charge, I'm sorry?

6 Q Total Delivery Charge is? So, if you look at the
7 page that I've referenced, at the end?

8 A (Eckberg) I don't have that information at my
9 fingertips, no.

10 Q You don't. Okay. Let me put this differently.
11 If the waiver requested by the Company was
12 allowed, can you tell me what the rates would be,
13 relative to what the rates is with the 3 percent
14 Cap being in place?

15 A (Eckberg) I do think that would be a question
16 that perhaps the Company witness, Ms. McNamara,
17 would have more readily at her fingertips. I do
18 believe that the difference is approximately a
19 million dollars, that is the amount that the --
20 that is -- would be set aside as being over the
21 Cap, is at least roughly a million dollars for
22 the Residential class. There may be other
23 amounts pertaining to the other two classes,
24 which are the pieces of the RDAF as well.

{DE 24-077 & DE 24-080} {07-30-24}

[WITNESS PANEL: Trottier|Eckberg]

1 Q So, for the Residential class, will the rates be
2 higher without the waiver, relative to with the
3 waiver?

4 A (Eckberg) With the waiver, the Company would then
5 collect the full amount. And, so, I believe --
6 no, I'm not going to try to answer that question.
7 I do think the Company's witnesses would be
8 more -- I'm not familiar enough with the
9 schedules that I could quickly answer that.

10 A (Trottier) I don't think it would be in
11 Schedule 2 either, because those -- the
12 Schedule 2, I believe, --

13 Q Can you speak through --

14 A (Trottier) Sorry. And I believe the schedule you
15 referred to, Schedule 2, is the EDC rate. But it
16 sounds like you're asking about the RDAF rates?

17 Q Actually, yes, sorry. That was the wrong --

18 A (Trottier) Okay.

19 Q Yes.

20 A (Trottier) I believe the rates would be higher,
21 yes.

22 Q So, it would be -- is it Bates Page 037 then?
23 And I'm not saying the numbers here are what you
24 need to repeat. I'm just, for comparison

[WITNESS PANEL: Trottier|Eckberg]

1 purposes, I can also look at this stuff later.

2 A (Trottier) Right.

3 Q But give me a sense of what happens to the rates
4 with the waiver and without the waiver?

5 A (Trottier) So, I didn't look super closely at the
6 rates proposed with the waiver, because we
7 objected. But, I believe, and I'm pulling them
8 up right now, but I believe the rates would be
9 slightly higher with -- if the waiver was
10 approved.

11 Q Okay.

12 A (Trottier) Yes. So, it looks like -- looks like
13 the Domestic class, without the waiver, would be
14 "0.00212"; with the waiver, it would be
15 "0.00429".

16 Q Okay. That's what I wanted to understand.

17 A (Trottier) Yes.

18 CMSR. CHATTOPADHYAY: So, ultimately,
19 this is not just about the Prime Rate, it's also
20 about the impact that the current ratepayers are
21 going to face. So, I just wanted to get a sense
22 of that.

23 Thank you.

24 CHAIRMAN GOLDNER: Thank you. We can

[WITNESS PANEL: Trottier|Eckberg]

1 now turn to DOE redirect.

2 MS. LADWIG: I don't have any questions
3 on redirect.

4 CHAIRMAN GOLDNER: Okay. Thank you.
5 The DOE witnesses are excused. Thank you for
6 your testimony today.

7 So, let's move on to closing
8 statements. But, before we do, is everyone okay
9 with moving Exhibit 1 through 7 onto the record,
10 with the revision coming on Exhibit 6?

11 MR. CROUSE: The OCA is fine.

12 CHAIRMAN GOLDNER: Okay.

13 MS. LADWIG: No objection from the
14 Department.

15 CHAIRMAN GOLDNER: Okay.

16 MS. DAVEY: The Company is fine with
17 that as well.

18 CHAIRMAN GOLDNER: Thank you. So,
19 hearing no objections, the Commission moves those
20 exhibits onto the record, you know, pending the
21 update on Exhibit 6.

22 Okay. So, now, let's move to closing
23 statements, beginning with the Company.

24 MS. DAVEY: Thank you.

1 The Company appreciates the time of the
2 Commission, the Department of Energy, and the
3 Office of the Consumer Advocate today.

4 The Company submits that the proposed
5 RDAF submitted on May 24th has been properly
6 calculated and will result in just and reasonable
7 rates.

8 After calculating and filing the
9 Stranded Cost Recovery and Electric [sic]
10 Delivery Charge rate, the Company submitted a
11 Motion for a Waiver of the Revenue Decoupling
12 Adjustment Cap. The Company believes that a
13 one-time waiver of the RDA Cap is appropriate in
14 order to avoid carrying charges -- carrying costs
15 associated with the amount deferred subject to
16 the Cap.

17 Further, the Company believes that a
18 waiver of the Cap, under the current
19 circumstances, will have a minimal impact to the
20 overall rate reduction customers will experience
21 on August 1st, as customers will still experience
22 an overall decrease in bill impacts when
23 combining the rates proposed in both 24-077 and
24 24-080.

1 Finally, the Company disagrees that
2 allowing -- disagrees with the Department that
3 allowing the Company's request may require a
4 rehearing or would affect the rights of parties
5 to the Settlement in DE 21-030.

6 I would need more time to look into the
7 specifics of what each intervenor said on the
8 specific topic. But the Company believes that
9 approval of the Company's request is not
10 prohibited by the Settlement Agreement, in
11 Section 4.3, that was approved in Docket Number
12 21-030.

13 I'm not sure what scenario the
14 Department is describing where the Company would
15 be required to return money to ratepayers, but
16 would refuse. But the Company certainly will
17 always return over-collection to ratepayers in
18 ways contemplated by regulation and statute.

19 The Company, therefore, respectfully
20 requests that the Commission allow the Company's
21 waiver -- request for waiver of the Cap, and
22 approve the Company's illustrative RDAFs,
23 included as Hearing Exhibit 7.

24 Should the Commission decline to allow

1 the Company's motion, in the alternative, the
2 Company requests that the Commission approve the
3 Company's RDAFs included in Hearing Exhibit 1.

4 And I would note that there was no
5 illustrative tariff filed with Exhibit 7. We
6 didn't want to have multiple proposed tariffs
7 before the Commission. So, should the Commission
8 allow the waiver, we would file an updated
9 tariff.

10 The Company also requests -- the
11 Company also submits that it has accurately
12 calculated appropriate changes to the adjustable
13 rate mechanisms that are subject to Docket
14 24-080.

15 The Company, therefore, requests that
16 the Commission find -- that the Commission find that
17 the Company's Stranded Cost Recovery and
18 Electric -- and External Delivery Charges, as
19 revised by the July 23rd, 2024, filing are just
20 and reasonable and in the public interest. The
21 Company also requests the Commission approve the
22 rates shown in the associated tariff change --
23 tariff pages found in Exhibit 4. And the Company
24 respectfully requests approval of these rates by

1 July 31st.

2 Thank you.

3 CHAIRMAN GOLDNER: Thank you. We'll
4 turn now to the New Hampshire Department of
5 Energy.

6 MS. LADWIG: Thank you.

7 First, the Department would like to
8 note the Commission's directive on vegetation
9 management concerns, and we'll plan to raise
10 those in the relevant or appropriate dockets in
11 the future.

12 As far as the RDAF, I won't spend time
13 lingering on the arguments made previously.
14 Again, I would ask the Commission to look at the
15 Department's objection, as well as the Settlement
16 Agreement, and the arguments the Department made
17 earlier.

18 I do want to clarify, Attorney Davey
19 mentioned that the Department -- I guess, that
20 she thought the Department said "the Company
21 would not return money" or "if there was a
22 possibility the Company would not return money".
23 And I just want to clarify that I was talking
24 about the scenario where, if the opposite had

1 happened with the Cap, where there was an amount
2 over the 3 percent that was owed back to
3 ratepayers, since there's nothing tying them to
4 that requirement, I guess I just question, if
5 that scenario were to happen, if there would be
6 anything requiring the Company to waive the Cap
7 and return that full amount above 3 percent to
8 ratepayers. And that was the argument that I
9 made there.

10 Again, on property tax, as we
11 explained, we would request that the Commission
12 exclude the 11,000, and I can't remember the
13 decimal points, from the amount included in the
14 Company's request for recovery through the EDC.
15 But, as Mr. Eckberg explained, not necessarily
16 change the rates at this time, especially as the
17 Company has requested approval of rates for
18 effect August 1st. And we believe it makes sense
19 to address that in next year's filing. And, like
20 Mr. Eckberg explained, use this as the amount to
21 reconcile back to in next year's filing.

22 And, on that note, as the Commission
23 noted at the very beginning of the hearing, those
24 are the only issues that the Department believes

1 are in dispute in this docket. And, so, with
2 those exceptions, the Department recommends that
3 the Commission approve the Company's original
4 RDAF rate requested, as well as the SCC and EDC
5 rates proposed.

6 Thank you.

7 CHAIRMAN GOLDNER: Thank you. We'll
8 turn now to the Office of the Consumer Advocate.

9 MR. CROUSE: Thank you. In our closing
10 statements, I'll first address the question
11 raised by the Chair, since you asked use, the
12 Office of the Consumer Advocate, to weigh in on
13 this issue, the carrying charge interest rate.

14 I generally concur with what Attorney
15 Ladwig has stated on behalf of the Department,
16 with respect to honoring settlement agreements.
17 By statute, certainly, our Office represents
18 residential customers. We would disagree that --
19 with the Department, in the sense that, should
20 the utility, in this case, Unitil, have an idea
21 of how this helps save customers money, our
22 Office is certainly receptive to any of those
23 proposals. It just happens, in this instance, we
24 believe that the Settlement Agreement should be

1 followed. It's very specific on how those
2 carrying charges should be addressed in the next
3 distribution rate case.

4 But, to the Commission's point, and
5 specifically, I believe you, Chairman Goldner,
6 raised the notion of how the other parties may or
7 may not be harmed, I think, if Clean Energy New
8 Hampshire, N.H. DES, and ChargePoint were present
9 here in the room, we could certainly have that
10 conversation of whether or not those carrying
11 charges should be avoided, that money not charged
12 to customers. But, since they're not present,
13 that just does not seem to be the appropriate way
14 to address that at this time.

15 However, the Office of the Consumer
16 Advocate does recognize the point Unitil raised.
17 We're appreciative that they're looking for ways
18 to save that money. We just didn't want that to
19 fall on deaf ears when we raise the point that
20 this Settlement Agreement was contemplated with
21 those Prime interest rates, and the Consumer
22 Advocate has the authority to represent
23 residential customer interests.

24 With respect to this property tax

1 issue, I think the Department raised some very
2 valid points. We heard from Unitil's witnesses
3 that this is utility property that seemingly is
4 subject to the utility tax exemption, of RSA -- I
5 don't have the statute in front of me, you know
6 the one we're speaking of. I think Mr. Eckberg
7 made a very good proposal, excuse me, on the
8 stand. So, I think the OCA is generally
9 supportive of that. However, we understand that,
10 should that not be the case, it will get
11 reconciled in next year's filing.

12 Otherwise, the OCA, as stated in our
13 support of the Department's objection, continues
14 to support the original RDAF filing, and has no
15 other objections to raise regarding the remaining
16 issues.

17 Thank you.

18 CHAIRMAN GOLDNER: Thank you.

19 Okay. So, first, let me thank everyone
20 for their time today.

21 Before we close, I'd just like to make
22 a few points. So, we've received here today
23 late-filed exhibits from the Company, and then an
24 adjustment, an extra page from the Department.

1 There doesn't appear to be a problem in this
2 case, because these exhibits and this data was
3 available in earlier filings. However, we ask
4 the parties to file exhibits by the deadlines,
5 particularly when there's a tight turnaround
6 between the hearing date and the effective date,
7 to provide the Commission, and the parties, time
8 to meaningfully review the filings before the
9 hearing.

10 I mention this, because there seems to
11 be a recent development from this Company, and I
12 just want to reiterate how important it is to
13 receive timely filings. The Company, in the
14 past, has been rigorous, in terms of its filings
15 on time and so forth. And there's been a couple
16 of misses lately. And I just want to highlight
17 the importance, and, in particular, a docket like
18 this, where the Commission has one day to turn an
19 order, and had multiple filings, in addition to
20 the late filings to handle. So, I'll just
21 mention that.

22 We'll take the issues in this hearing
23 under advisement.

24 And, before with adjourn, I'll just

1 check to see if there are any other issues that
2 we need to consider today?

3 Attorney Crouse.

4 MR. CROUSE: Chairman Goldner, this is
5 a very minor issue. It just so happens, on the
6 Virtual File Room, in 24-080, Tab 10, there's a
7 broken hyperlink. The statement ending in
8 "Exhibit List" hyperlinks to nothing, whereas the
9 first half of that same line takes you to the
10 actual filing.

11 I just thought I would point that out.

12 CHAIRMAN GOLDNER: Oh, thank you. No,
13 we'll close with the Clerks Office after the
14 proceeding and make sure we get that fixed.
15 Thank you for bringing that to our attention.

16 Anything else that we need to cover
17 today?

18 *[Multiple parties indicating in the*
19 *negative.]*

20 CHAIRMAN GOLDNER: Okay. Seeing none.
21 We'll get an order out prior to the
22 implementation date. And we are adjourned.

23 ***(Whereupon the hearing was adjourned***
24 ***at 12:02 p.m.)***