

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES
COMMISSION**

DE 24-090

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

2024 Transmission Cost Adjustment Mechanism

**COMMENCEMENT OF ADJUDICATIVE PROCEEDING
AND NOTICE OF HEARING**

On August 6, 2024, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition to update the Transmission Cost Adjustment Mechanism (TCAM) rate for effect on October 1, 2024. In support of its petition, Eversource submitted the pre-filed testimony of Yi-An Chen, James E. Mathews, Scott R. Anderson, and Stephen J. Allen, as well as supporting attachments. All docket filings, except for information subject to confidential treatment under New Hampshire Code of Administrative Rules, Puc 203.08, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-090.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

Eversource's TCAM was approved by *Public Service Co. of N.H.*, Order No. 24,750 (May 25, 2007). The TCAM is a fully reconciling mechanism through which Eversource recovers all its costs for transmission-related services. *See* Order No. 24,750 at 13. With the TCAM, Eversource sets transmission rates for a defined future billing period based on transmission costs estimated using current and forecast data, which is provided primarily by Independent System Operator-New England. *See* Order No. 26,163 (July 31, 2018) at 4. The TCAM rate is adjusted

annually to reconcile actual and estimated transmission revenues and expenses for the prior period. Order No. 26,735 (November 28, 2022) at 1. Any over-or-under-recoveries that are incurred in the prior period are rolled into the subsequent billing period as part of the TCAM rate. See Order No. 26,163 at 4.

Historically, Eversource's annual TCAM rate adjustments became effective August 1 of each year. See Order No. 26,735 at 1-2. However, in Order No. 26,735, the Commission altered this schedule so that, starting in 2023, Eversource's TCAM rate adjustments become effective October 1 of each year. *Id.* at 3. In addition, in Docket No. DE 16-566, the Commission directed Eversource to conduct a lead/lag study, which identifies the amount of time it typically takes for a utility to collect revenue from customers and the amount of time it takes for the utility to pay for applicable operating costs to determine cash working capital requirements for a given period, to be applied to its TCAM rate. See Order No. 25,912 (June 28, 2016).

In its current petition, Eversource requests approval of an average TCAM rate of \$0.03398 per kWh to be effective from October 1, 2024 to September 30, 2025. This overall rate includes both the forecasted retail transmission rate for the twelve-month billing period starting October 1, 2024, and the reconciliation of historic transmission costs and recoveries. This is an increase from the currently effective rate of \$0.02701 per kWh. See Order No. 26,888 (September 20, 2023). Eversource represents that the increase is the result of two primary causes: (1) an increase in the regional network services costs; and (2) an increase in the local network services costs. See Testimony of Yen and Matthews at 5. In addition, Eversource conducted a lead/lag study for its TCAM rate which calculated a cash working capital allowance of (\$15.176) million and a forecasted return on working capital of (\$1.328) million for the period between October 1, 2024 to September 30, 2025. See Testimony of

Yen and Matthews at 22.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether Eversource used the appropriate method to calculate the proposed TCAM rate; whether Eversource's proposed TCAM rate is consistent with prior Commission orders; whether Eversource's lead/lag study is accurate and whether Eversource correctly determined the cash working capital allowance for the TCAM period; and whether the proposed TCAM rate is just and reasonable, as required by RSA 374:2, RSA 378:5, and RSA 378:7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374:2, RSA 378:5, and RSA 378:7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter

at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on September 5, 2024, at 9:00 a.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Eversource and any other parties on the service list, on or before September 3, 2024. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before September 4, 2024; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

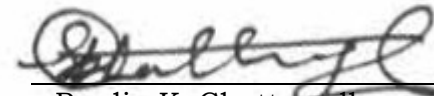
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, Eversource shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before September 3, 2024. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this twenty-sixth day of August, 2024.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 24-090

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