

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

**DOCKET NO. DE 19-057**

IN THE MATTER OF:      **PUBLIC SERVICE COMPANY OF NEW  
HAMPSHIRE, D/B/A EVERSOURCE ENERGY**

**Notice of Intent to File Rate Schedules**

DIRECT TESTIMONY

OF

**AMANDA NOONAN**

DIRECTOR OF CONSUMER SERVICES AND EXTERNAL AFFAIRS  
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DECEMBER 20, 2019

1 **INTRODUCTION**

2 **Q. Please state your full name?**

3 A. Amanda Noonan

4 **Q. By whom are you employed and what is your business address?**

5 A. I am employed as the Director of Consumer Services and External Affairs by the New  
6 Hampshire Public Utilities Commission (Commission). My business address is 21 South  
7 Fruit Street, Suite 10, Concord, NH 03301.

8 **Q. Please summarize your education and professional work experience.**

9 A. I have been employed with the Commission since January 1992. During that time, I have  
10 worked in the Engineering Division, the Electric Utility Restructuring Division and the  
11 Consumer Services and External Affairs Division. I have been Director of Consumer  
12 Services and External Affairs since December 2015. Prior to that, I was Director of the  
13 Consumers Affairs Division for 18 years. I am member of the NARUC Staff Subcommittee  
14 on Consumer Affairs and the NECPUC Staff Committee on Consumer Affairs. Prior to  
15 joining the Commission, I was employed by Bank East Corporation for six years where I  
16 was responsible for the design and development of corporate training programs relating to  
17 management and customer service as well as bank operations. I have a B.S. in Business  
18 Administration from the University of New Hampshire Whittemore School of Business and  
19 Economics.

20 **Q. What is the purpose of your testimony in this proceeding?**

21 A. The purpose of my testimony is to address two customer service proposals included in the  
22 Eversource filing. I will also address two areas where the Company has proposed tariff  
23 changes. The first customer service proposal is the “fee free” credit/debit card payment

1 system that is intended to allow residential customers to pay their bills electronically  
2 without a transaction fee. The second is the New Start arrearage forgiveness proposal for  
3 eligible residential limited-income customers. My testimony will address the  
4 appropriateness of these proposals for consumers in New Hampshire and suggest certain  
5 modifications to better serve the needs of New Hampshire customers. The proposed tariff  
6 changes include allowing default service customers to block incoming enrollments from  
7 competitive suppliers, and modifications to the supplier terms and conditions section of the  
8 Eversource tariff.

9 **Q. Please summarize your conclusions.**

10 A. I generally support adoption of the fee free credit/debit card program as it provides  
11 consumers with another option for payment. I recommend, however, that the program not be  
12 limited to non-recurring payments. Both customers choosing to make payments by  
13 credit/debit card each month as well as those customers who schedule regular, recurring  
14 payments by credit/debit card should be afforded the fee free benefit. I further recommend  
15 that the program include monitoring and reporting as described later in my testimony.

16 In regard to the NewStart arrearage management proposal, I support implementation of this  
17 program with the addition of certain eligibility criteria, program parameters and reporting  
18 requirements as detailed in my testimony.

19 I do not support the tariff provision that allows customers to block incoming enrollment from  
20 competitive suppliers as it is not necessary in New Hampshire and may have potential  
21 unfavorable impacts on the competitive energy market.

22 Finally, I recommend the proposed changes to the Eversource tariff reflected on pages 31 to  
23 40 of the Testimony of Edward A. Davis, Att. EAD-2 be rejected and deferred for review as

1 part of a generic investigation into services made available by electric distribution companies  
2 to competitive electric power suppliers, and the terms and conditions associated with those  
3 services.

4 **FEE FREE CREDIT AND DEBIT CARD PROPOSAL**

5 **Q. Do you generally support adoption of the Company's "fee free" proposal for credit and**  
6 **debit card users?**

7 A. Yes. The fee free proposal for credit and debit cards provides residential customers with  
8 another payment channel, which represents the latest in the evolution of options for how  
9 customers pay their bills. As noted in the Company's response to Staff 9-31 (Attachment  
10 AON-1), there are on-going changes in customer payment patterns, with fewer customers  
11 paying with a check by mail or making payments at walk-in offices and a greater portion of  
12 customers using autopay from bank accounts and on-line options, including credit and debit  
13 cards. The fee free proposal supports the payment options consumers are electing to use and  
14 has the potential to facilitate timely payments by a greater number of customers.

15 **Q. What modifications would you recommend to the Company's proposal?**

16 A. Based on discussions at the technical sessions, I understand that Eversource's fee free  
17 proposal would only apply to non-recurring payments. Thus, customers who schedule  
18 monthly payments by credit or debit card would not be included in the fee free arrangement.  
19 I would recommend this limitation be eliminated to allow all residential customers who  
20 make payments by credit or debit card, whether recurring or non-recurring, to do so without  
21 an additional transaction charge. I see no need to distinguish between customers who use a  
22 credit/debit card on a non-recurring basis and those who schedule a regular monthly

1 payment, and no rationale for, in essence, penalizing customers who schedule their  
2 automatic payments using a credit or debit card.

3 **Q. Do you have any other recommendations regarding the “fee free” program?**

4 A. Yes. I would recommend that Eversource be required to report to the Commission Staff  
5 annually on the fee free program, using a reporting mechanism similar to that required for  
6 Eversource’s Connecticut affiliate, CL&P. See attachment AON-2. By March 1 of each  
7 year, Eversource should file a report including the following data for the previous calendar  
8 year:

- 9 i) number of credit/debit card payments;
- 10 ii) costs associated with the credit/debit card payments;
- 11 iii) number of days between issuance of the bills and receipt of payment;
- 12 iv) number of credit/debit cards payments made by financially challenged/hardship  
13 customers;
- 14 v) annual amount of uncollectibles; and
- 15 vi) such other information as the Commission may deem appropriate to be included.

16 The first such report submitted by Eversource shall also include the number of credit/debit  
17 card payments during the 12 month period prior to implementing the fee free program and  
18 the amount of uncollectibles for the same 12 month period. Doing so will provide the  
19 Commission with baseline information when evaluating the fee free credit/debit program.

20 **NEWSTART ARREARAGE FORGIVENESS PROGRAM**

21 **Q. What is your view of the Company’s proposal for the NewStart arrearage management**  
22 **program?**

1 A. I generally support adoption in New Hampshire of the NewStart program which forgives a  
2 portion of a customer's past due balance for every on-time monthly payment an enrolled  
3 customer makes to the Company. In addition to the customer benefits noted by the  
4 Company – development of consistent bill payment habits, protection from service  
5 disconnections and providing customer with a fresh start – the program also provides the  
6 opportunity for a variety of other benefits. These include the enhancement of  
7 communications between customers, social service agencies and the utility and other non-  
8 utility benefits that are difficult to measure such as the impact on customers' safety, health,  
9 and nutrition. The program should also reduce the utility's costs for collections, field visits,  
10 disconnections, reconnections, lead lag, carrying costs and uncollectibles. In order to ensure  
11 a program that meets customer needs in New Hampshire, I am recommending a number of  
12 modifications to the eligibility criteria and program parameters. In order to effectively track  
13 the multiple impacts of the program, I am also recommending the development of program  
14 metrics and reporting requirements that will capture the effect of the program on customers  
15 and the Company's costs including costs associated with disconnections, reconnections, lead  
16 lag and uncollectibles.

17 **Q. What changes to the eligibility criteria and program parameters are you**  
18 **recommending?**

19 A. I recommend a number of changes to the eligibility criteria and program parameters to more  
20 effectively align the NewStart program with the needs of New Hampshire customers. These  
21 include:

22 i) The program should be made available to any account coded financial hardship;

- 1           ii) Customers with past due balances greater than \$300 and greater than sixty (60)  
2           days past due should be eligible for the program;
- 3           iii) If a customer misses payments after enrollment, the missed payments must be  
4           made up to continue enrollment;
- 5           iv) New enrollments can occur 12 months after being dropped from the program;
- 6           v) New enrollments can occur 12 months after successful completion of the program  
7           for customers with no remaining past due balance upon completion;
- 8           vi) Customers who successfully complete the program, and who still have a  
9           remaining past due balance, may re-enroll immediately and will not be subject to  
10          the 12-month waiting period before a new enrollment
- 11          vii) Following successful completion of the program, customers will be automatically  
12          enrolled in a budget payment plan; and
- 13          viii) The annual cap on the forgiveness amount should be \$12,000.

14 **Q. What is the reason for allowing customers with a remaining unpaid balance after**  
15 **completion of the program to re-enroll rather than be subject to a 12-month waiting**  
16 **period prior to re-enrollment?**

17 A. I think we must recognize that customers who come into the program with an unpaid balance  
18 greater than the \$12,000 annual cap face a significant challenge in repaying those balances.  
19 To the extent such customers successfully participate in the program, paying their current bill  
20 on time and in full for 12 months, I recommend that these customers be granted the  
21 opportunity to re-enroll immediately rather than being subject to the one year waiting period.

1 **Q. Do the changes to the eligibility criteria and program parameters, when considered**  
2 **with the Company's proposal, encompass all program implementation considerations**  
3 **for NewStart?**

4 A. No, it is not a comprehensive list. Among other things, consideration will need to be given to  
5 whether, and how, customers who have been disconnected can enroll in the NewStart  
6 program and how payments made by a social service agency on behalf of a customer are  
7 counted for purposes of applying the arrearage forgiveness credit.

8 Rather than attempt to identify the various scenarios that may be encountered and the  
9 treatment for each, I recommend the Commission establish a stakeholder group, consisting of  
10 the Company, Staff, and representatives from other interested parties in this proceeding, to  
11 develop a comprehensive program design for the NewStart arrearage management program.  
12 I further recommend the stakeholder group provide a report to the Commission within 120  
13 days of the final order in this proceeding, and the NewStart arrearage management program  
14 be implemented on January 1, 2021.

15 **Q. What program metrics should be included to monitor the effectiveness of the program**  
16 **and the impact on the Company's costs?**

17 A. The Company should submit a plan and format for annual reporting on the NewStart  
18 Program for review and approval by the Staff within 90 days of the Commission's final  
19 order in this proceeding. The plan should provide for the collection and reporting of data  
20 prior to the start of the program in order to provide a baseline for comparison in subsequent  
21 years. The plan should address how the Company will measure and report on program  
22 performance each year and include, at a minimum, the following:

23 i) Number of customer accounts coded financial hardship.

- 1           ii)    Number of customers enrolled in the program.
- 2           iii)   Number of customers who successfully completed the program.
- 3           iv)    Number of customers dropped from the program.
- 4           v)     Number of customers who re-enroll in the program after being dropped and length
- 5                 of time before re-enrollment.
- 6           vi)    Number of customers who re-enroll in the program after successful completion
- 7                 and length of time before re-enrollment.
- 8           vii)   Number of customers who remain on budget plan after automatic enrollment upon
- 9                 completion and for how long.
- 10          viii)   Total dollar amount of arrearages forgiven.
- 11          ix)     Average dollar amount per participating customer of arrearages forgiven.
- 12          x)     Comparison of disconnections before and after program start.
- 13          xi)    Comparison of lead-lag before and after program start.
- 14          xii)   Comparison of bills behind for hardship customers before and after program start.
- 15          xiii)   Quantification of impact of program on field visits and customer service.
- 16          xiv)   Quantification of impact of program on re-connections.
- 17          xv)   Quantification of impact of program on uncollectibles.

18   **Q. What is Staff’s position on the Company’s proposal (Chung/Dixon Testimony pp. 115-**  
19       **116) to recover costs associated with the NewStart program through the Distribution**  
20       **Rate Adjustment Mechanism (DRAM)?**

21    A. As explained in the testimony of Richard Chagnon, Staff does not support inclusion of the  
22       past due balances forgiven and the NewStart program implementation costs in the DRAM.  
23       Eversource has experience with implementing NewStart in other jurisdictions and is in the

1 best position to estimate both the costs and savings associated with the program. As further  
2 described in Mr. Chagnon's testimony, the estimated past due balances forgiven and the  
3 implementation cost should be included in the Company's request for a base rate  
4 adjustment.

5 **PROPOSED TARIFF CHANGES**

6 **Q. What is your view on the Company's proposed tariff change (Davis testimony, Att.**  
7 **EAD-2, page 12) that would allow default energy service customers to block incoming**  
8 **enrollments from competitive suppliers?**

9 A. I understand the Company's proposed tariff change is based on a similar tariff provision in  
10 Connecticut and Massachusetts, and, that in those jurisdictions, the company is required to  
11 provide competitive suppliers with information regarding default service customers. That is  
12 not the case in New Hampshire. Accordingly, I do not believe this tariff provision is  
13 necessary in New Hampshire. I am also concerned about the potential impact of this 'block'  
14 option on the competitive market. If such a tariff provision were to be approved in New  
15 Hampshire, the 'block' option should be available to all customers, not just to default  
16 customers.

17 **Q. What is your view on the Company's proposed tariff changes (Davis testimony, Att.**  
18 **EAD-2, pages 31 to 40) relative to services that would no longer be available to energy**  
19 **service providers or are being modified in some way by the proposed tariff language?**

20 A. The changes proposed by Eversource appear to limit services available to energy service  
21 providers and may have unintended impacts on the competitive market. I recommend the  
22 Commission reject the proposed changes and instead instruct Eversource to file its proposed  
23 changes for consideration in a generic investigation, to include energy service providers and

1 all electric utilities in the state, to review the proposed changes and their impact, in any, on  
2 energy service providers and the competitive market. In addition to considering the impact  
3 of these changes on energy suppliers, the Commission must also consider the effect, if any,  
4 of the proposed changes on its grid modernization initiatives.

5 **Q. Does that conclude your testimony?**

6 A. Yes.