

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire
Renewable Default Energy Service Rate

Docket No. DE 12-XXX

PETITION REGARDING RENEWABLE DEFAULT ENERGY SERVICE RATE

Public Service Company of New Hampshire (“PSNH” or the “Company”), in accordance with Puc 202.01(a) and 203.06 and RSA 374-F:3, V, hereby petitions the New Hampshire Public Utilities Commission (the “Commission”) to revise its renewable default energy service rate and to establish a minimum number of customers required to participate in the program. In support of its petition, PSNH states as follows:

1. On March 5, 2010, the Commission approved PSNH’s Renewable Default Energy Service Rate (“RDES Rate”) structure which was established pursuant to the requirements of RSA 374-F:3, V. *See* Order No. 25,080, Docket No. DE 09-186. The Company now seeks to: (1) revise its RDES Rate for effect on the earliest date upon which the Commission can rule upon this request; and (2) establish a minimum number of customers required to continue offering the RDES Rate.

2. Under the Company's RDES Rate, its default energy service customers are provided with the opportunity to support the development of renewable sources of generation in New England. The Company purchases and retires, on behalf of those customers participating in the Renewable Rate, Renewable Energy Certificates ("RECs") from renewable sources of generation in New England that match either all or a portion of those customers' actual energy use. The RDES Rate is billed to participating customers as an additional charge (in cents per kilowatt-hour) based on the renewable option chosen. The Commission last set the Company's Renewable Rate in Order No. 25,324 (January 31, 2012, Docket No. DE 11-255). The Company requested a revision to the rate established in Order No. 35,324 in June 2012, but that request was never acted on. By this submission, PSNH proposes to withdraw that filing and replace it with the relief requested herein.

3. As part of this petition, the Company seeks an increase in its RDES Rate to 5.558 cents/kwh for customers electing the 100% option, 2.779 cents/kwh for customers electing the 50% option and 1.395 cents/kwh for customers electing the 25% option. These rates are based upon the anticipated Alternative Compliance Payment ("ACP") rate for 2013 for Class I and Class II RECs. PSNH believes that with recent legislative revisions to the ACP rate in New Hampshire, it is reasonable and appropriate to base the price for the RDES Rate on the ACP rate. According to the enclosed testimony of Richard H. Branch, PSNH calculates that residential customers using 500 kilowatt-hours per month would pay \$27.79 for the 100% Renewable Rate option and \$6.95 for those electing the 25% Renewable Rate option. Small business customers using 10,000 kilowatt-hours per month would pay \$555.80 for customers choosing the 100% Renewable Rate option while those electing the 25% Renewable Rate option would pay \$138.95 a month.

4. In addition to establishing a new rate, PSNH requests, pursuant to RSA 374-F:3, V(f)(10) that the Commission approve PSNH's request to require that a minimum number of customers choose to participate in the program in order to offer the RDES Rate option. Since its inception, the RDES Rate has had an extremely low participation rate; as noted in Mr. Branch's testimony, currently only has 173 customers (0.04 percent of eligible customers) enrolled. In light of the administrative effort necessary to offer the rate, PSNH proposes to establish a threshold of 1.0 percent of eligible customers choosing to participate to continue offering the RDES Rate option. Under PSNH's proposal, should 1.0 percent of eligible customers not choose to participate in the program within 6 months of the rate being set at the level PSNH proposes above, PSNH would cease offering the program. If PSNH ceases to offer the program, PSNH proposes that any under or over recovery at that time would be reconciled in PSNH's Default Energy Service Rate. At present, PSNH anticipates that any potential under or over recovery would be negligible.

WHEREFORE, PSNH respectfully requests that the Commission:

- A. Close Docket No. DE 11-255 or permit PSNH to withdraw its June 1, 2012 request in that docket;
- B. Open a proceeding, provide for an order of notice, and schedule a procedural hearing where the conduct of this proceeding may be established; and
- C. Order such further relief as may be just and equitable.

Respectfully submitted this 19th day of December, 2012.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

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