

**THE STATE OF NEW HAMPSHIRE**  
**BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION**  
**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**  
**D/B/A EVERSOURCE ENERGY**  
**PREPARED TESTIMONY OF DANIEL J. LUDWIG**  
**Docket No. DE 15-415**  
**2016 Energy Service Rate Change**

---

- 1   **Q.   Please state your name, business address and position.**
- 2   A.   My name is Daniel J. Ludwig. My business address is One NSTAR Way, Westwood, MA.
- 3   I am employed by Eversource Energy Service Company as a Senior Load Forecasting
- 4   Analyst. Eversource Energy Service Company provides centralized service to the
- 5   Eversource Energy operating subsidiaries Public Service Company of New Hampshire
- 6   (“PSNH”), The Connecticut Light and Power Company, Yankee Gas Services Company,
- 7   Western Massachusetts Electric Company, NSTAR Electric Company and NSTAR Gas
- 8   Company, all now doing business as Eversource Energy. For purposes of this testimony,
- 9   references to Eversource Energy will mean the parent company and references to
- 10   Eversource will mean PSNH.
- 11   **Q.   Have you previously testified before the Commission?**
- 12   A.   Yes, I have.
- 13   **Q.   Please describe your educational background.**
- 14   A.   I graduated from the University of Massachusetts in Amherst, MA in 2006 with a Bachelor
- 15   of Science degree in Plant and Soil Sciences with a minor in Managerial Economics. I also

1 graduated from the University of Massachusetts in Amherst, MA in 2008 with a Master's  
2 of Science in Resource Economics with a concentration in Econometrics.

3 **Q. Please describe your professional experience.**

4 A. Upon graduation from the University of Massachusetts in Amherst, I was hired by  
5 Northeast Utilities (now Eversource Energy) in the Load Forecasting Department and have  
6 held numerous titles each with increasing responsibility through my current position as a  
7 Senior Load Forecasting Analyst.

8 **Q. What are your current responsibilities?**

9 A. I am currently responsible for activities associated with demand forecasting and economic  
10 analysis of multiple operating companies within Eversource Energy.

11 **Q. What is the purpose of your testimony?**

12 A. Consistent with Order No. 25,614 (December 27, 2013) in Docket No. DE 13-275, the  
13 purpose of my testimony is to present and discuss a customer migration forecast that  
14 Eversource has developed as a requirement of this 2016 Energy Service rate docket.

15

16 **Q. Were there any changes in the forecasting methodology?**

17 A. Yes, the econometric model now incorporates residential, small commercial and industrial  
18 ("C&I") and street lighting historical migrated load as opposed to the previous model  
19 which utilized total retail migrated load. The forecasting model no longer evaluates total  
20 retail migrated load due to the change in rules relating to Eversource's Rate ADE which  
21 discourages medium and large C&I customers from seasonally switching between  
22 Eversource and competitive suppliers for their energy needs. That change was approved

1 by the Commission in Order No. 25,739 (December 12, 2014) in Docket No. DE 11-216.  
2 Medium and large C&I customers who desire to return to Eversource would return to a  
3 monthly market rate (Rate ADE) and not the standard averaged energy rate, unless they  
4 agree to return for 12 consecutive months. As a result of the rule change, forecasted  
5 migration for medium and large C&I customers will be held constant based on their most  
6 recent available migration level. The rule change does not apply to residential, small C&I  
7 and street lighting customers. Eversource customer migration is still forecasted using the  
8 same econometric modeling techniques previously presented in Docket No. DE 14-235.  
9 The only difference is the model structure now evaluates only residential, small C&I and  
10 street lighting historical migrated load as a function of competitive suppliers' price of  
11 electricity. When the price of electricity offered by competitive suppliers falls, customers  
12 tend to migrate to those suppliers. And when those prices rise, as they did in the last three  
13 Januaries, customers tend to migrate back to Eversource.

14 **Q. What are the results of this forecast?**

15 A. The updated forecasted migration results have been provided in Exhibit DJL-1 and Exhibit  
16 DJL-2. The 2016 average forecasted migration is 53.6 percent, while the prior forecast  
17 which included migration assumptions for medium and large C&I customers, estimated  
18 47.5 percent migration for 2015, representing a 6.1 percent change.

19 **Q. Does this conclude your testimony?**

20 A. Yes, it does.