

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 15-416

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a Eversource Energy

Petition for 2016 Stranded Cost Recovery Charge Rate

ORDER OF NOTICE

On September 28, 2015, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or PSNH) filed a petition to set its average Stranded Cost Recovery Charge (SCRC) rate for effect with services rendered on and after January 1, 2016. In support of its petition, Eversource filed the testimony of Christopher J. Goulding, along with related exhibits and attachments. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2015/15-416.html>.

The SCRC recovery mechanism was established pursuant to the Agreement to Settle PSNH Restructuring in Docket No. DE 99-099 (Restructuring Agreement). The Restructuring Agreement defined the stranded costs of PSNH, now Eversource, and categorized them into three different parts—Part 1, Part 2 and Part 3. The SCRC was established to recover costs for all three Parts.

Eversource said that Part 3 costs were fully recovered in June 2006. Part 1 costs, associated with the Rate Reduction Bonds (RRBs), were fully recovery as of May 1, 2013. The remaining costs recovered through the SCRC rate mechanism are Part 2 costs, which are “ongoing” stranded costs, consisting primarily of the over-market value of energy purchases from independent power producers (IPPs), and the amortization of payments previously made for

IPP buy-downs and buy-outs approved by the Commission. In this filing, Eversource included an amount, related to the Company's recoupment of certain RRB trust account monies, in the calculation of the average SCRC rate for effect January 1, 2016, consistent with Order No. 25,815 (Sept. 18, 2015). Eversource then adjusted the average SCRC rate to include Eversource's share of customer refunds from the Regional Greenhouse Gas Initiative (RGGI). Pursuant to RSA 125-O:23, II and Order No. 25,664 (May 9, 2014), RGGI auction proceeds in excess of \$1.00 shall be rebated to all electric service customers. Eversource uses the SCRC rate mechanism to rebate such excess money to its customers.

Eversource currently bills an average SCRC rate of 0.155 cents per kWh for the period July 1, 2015 through December 31, 2015. Order No. 25,791 (June 25, 2015). This rate includes a base average SCRC rate of 0.300 cents per kWh, adjusted by the RGGI auction proceeds amount of 0.145 cents per kWh. In the instant filing, Eversource estimates an average base SCRC rate of 0.181 cents per kWh, a reduction from the current rate of 0.330 cents per kWh. Eversource attributed the decrease to significantly lower forecasted 2016 above-market IPP costs than 2015 costs, and lower IPP buy-down and buy-outs costs than 2015 costs. These costs are offset in part \$0.979 million of Phase I Department of Energy litigation proceeds refunded in 2015.

Eversource calculated the RGGI component of the SCRC rate to be 0.198 cents per kWh. The resulting rate for effect on January 1, 2016, including the RGGI refund, is a credit of 0.172 cents per kWh. Eversource said that it will update the estimate of the 2016 SCRC costs and revenues, and the SCRC rate, before the hearing in this docket.

The filing raises, inter alia, issues related to whether Eversource's assumptions and estimates of costs and revenues are reasonable and whether the resulting rates are just and

reasonable as required by RSA 378:5 and 378:7. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on October 26, 2015 at 10:30 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Eversource, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow Eversource to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than October 14, 2015, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before October 22, 2015; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Eversource and the Office of the Consumer Advocate on or before October 22, 2015, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before October 26, 2015; and it is

FURTHER ORDERED, that pursuant to N. H. Code Admin Rules Puc 203.12, a hearing on this matter shall be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on December 16, 2015 at 1:30 p.m.

By order of the Public Utilities Commission of New Hampshire this eighth day of October, 2015.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, 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 - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.