

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

**DE 17-096**

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

**Petition for Findings of Fact and Issuance of Finance Order**

**ORDER OF NOTICE**

Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) petitions the Commission to authorize the recovery of certain costs that may result from the divestiture of its generating assets through the issuance of rate reduction bonds (RRBs). In the event that the sales proceeds following the sale of the Eversource generating facilities are not sufficient to pay the net book value of those facilities, plus costs of certain employee protections and other transactional costs, Eversource seeks to securitize those unrecovered costs through issuance of RRBs. In order to expedite the final review of the sale and issuance of RRBs to cover costs allowed by statute and by the 2015 Public Service Company of New Hampshire Restructuring and Rate Stabilization Agreement dated June 10, 2015 (as amended, the 2015 Settlement Agreement), the Commission opens this docket. The docket will proceed in two phases, the first to begin immediately and the final phase to be conducted following the sale and financial closing.

In this first phase, the Commission will consider the form and structure of the RRB financing vehicle, as well as the method of recovery through a stranded cost charge, and the form of financing order that will be required in order to securitize the costs to be recovered by Eversource from its ratepayers. Following this first phase of the docket, the Commission will keep the docket open for a final phase in order to determine the amount of the costs eligible for

recovery through securitization following Commission approval of a sale.

The securitization by Eversource of certain of its costs is provided by (i) RSA Chapter 369-B, (ii) the 2015 Settlement Agreement and, (iii) the Commission's Order No. 25,920 dated July 1, 2016, approving the 2015 Settlement Agreement. In order to securitize those costs and issue RRBs, the Commission must approve the securitization of such costs in the form of a finance order (the Finance Order). As contemplated by Section IX.C of the 2015 Settlement Agreement, the Finance Order must contain provisions that maximize the likelihood of achieving "triple-A" ratings on the RRBs and enhance the marketability of the RRBs.

In the final phase of this docket, if the Commission approves a sale or sales of the generation facilities, and following a financial closing, the Commission shall issue a Finance Order;

- (i) approving the issuance of RRBs in an amount sufficient to refinance the unrecovered net book value of any of PSNH's generation assets to be divested pursuant to the 2015 Settlement Agreement ("Stranded Costs"), together with any unrecovered deferrals, transaction costs, tax stabilization payments, employee protections and other costs as contemplated in the 2015 Settlement Agreement related to such divestitures (collectively, the Securitized Costs);
- (ii) establish the charge from which the RRBs will be repaid (as defined in RSA 369-B:2, XIII, the RRB Charge), the calculation and the collection from retail customers;
- (iii) approve the organization and capitalization of a special purpose financing entity, to which the RRB Charge and other related rights (as defined in RSA 369-B:2, XV, the RRB Property) will be sold;
- (iv) provide for the periodic adjustment of the RRB Charge via a true-up mechanism;
- (v) approve the general structure of the RRB transaction and terms of the RRBs, including the proposed use of proceeds;
- (vi) approve the servicing of the RRB Charge by Eversource as the initial servicer for the RRB Property, or any successor servicer, under a servicing agreement;
- (vii) approve necessary Tariff provisions required to implement recovery of the RRB Charge from customers;
- (viii) declare that the Finance Order shall be irrevocable as provided in RSA Chapter 369-B;

- (ix) find the RRB Charge to be just and reasonable; and
- (x) find and declare the issuance of the Finance Order to be consistent with the public interest pursuant to RSA 369-B:3, I and RSA 369-B:1, XVI.

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 [www.puc.nh.gov/Regulatory/Docketbk/2017/17-096](http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-096).

The filing raises, inter alia, issues related to recovery of certain costs from Eversource ratepayers following the sale of Eversource generation assets, and the issuance of RRBs all as provided by RSA Chapter 369-B, RSA 374-F and the 2015 Settlement Agreement. 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 August 18, 2017 at 2:30 p.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 it is

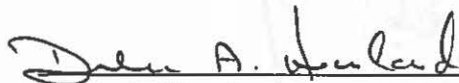
**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than August 10, 2017, in a newspaper with general circulation in

those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before August 15, 2017; 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 August 15, 2017, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before August 18, 2017.

By order of the Public Utilities Commission of New Hampshire this third day of August, 2017.

  
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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**

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**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.**