

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

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
ENERGY SERVICE SOLICITATION FOR AUGUST 2018 THROUGH JANUARY 2019**

DIRECT TESTIMONY OF CHRISTOPHER J. GOULDING

Docket No. DE 18-002

1 **Q. Please state your name, business address and position.**

2 A. My name is Christopher J. Goulding. My business address is 780 North Commercial Street,
3 Manchester, NH. I am employed by Eversource Energy Service Company as the Manager of
4 New Hampshire Revenue Requirements and in that position I provide service to Public Service
5 Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”).

6 **Q. Have you previously testified before the Commission?**

7 A. Yes, I have.

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

9 A. I am currently responsible for the coordination and implementation of revenue requirements
10 calculations for Eversource, as well as the filings associated with Eversource’s default Energy
11 Service (“ES”) rate, Stranded Cost Recovery Charge (“SCRC”), Transmission Cost Adjustment
12 Mechanism, and previously, the Alternate Default Energy rate.

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

14 A. The purpose of my testimony is: (1) to provide an overview of this filing; and (2) to seek the
15 necessary approvals to set a fixed ES rate for the Small Customer class (Rates R, R-OTOD, G,
16 G-OTOD, and any outdoor lighting associated with those rates billed under Rates EOL and
17 OL), and a monthly ES rate for the Large Customer class (Rates GV, LG, B, and any private

1 area lighting associated with those rates billed under Rate OL) applicable to Eversource's
2 customers who take service under the ES rate that will take effect on August 1, 2018.

3 **Q. Please explain the ES rates for which the Company is seeking approval.**

4 A. In this proceeding, consistent with the Settlement Agreement approved in Docket No. DE 17-
5 113, Eversource is requesting that the Commission review and approve a fixed six-month
6 energy service rate for the Small Customer class for the period of August 1, 2018 through
7 January 31, 2019 based on the weighted average of the six monthly contracted prices contained
8 in the supply agreement(s) with the winning ES supplier(s) for the Small Customer class. The
9 fixed ES rate for the period of August 1, 2018 through January 31, 2019, for the Small
10 Customer class is \$0.09412 per kWh as calculated on page 1 of Attachment CJG-1.

11 The Company is also requesting that the Commission review and approve a monthly-variable
12 ES rate for the Large Customer class for the period of August 1, 2018 through January 31, 2019
13 based on the six monthly contracted prices contained in the supply agreement with the winning
14 ES supplier for the Large Customer class. The monthly ES rates for the period of August 1,
15 2018 through January 31, 2019, for the Large Customer class, as calculated on page 2 of
16 Attachment CJG-1, are as follows:

Large Customer Energy Service Rates	
Month	Rate (\$/kWh)
August 2018	\$0.07711
September 2018	\$0.08475
October 2018	\$0.09180
November 2018	\$0.08894
December 2018	\$0.10257
January 2019	\$0.12321

1 **Q. Have the cost of Eversource's mandated purchased power obligations from independent**
2 **power producers ("IPPs"), and the power purchase agreements ("PPAs") with Burgess**
3 **and Lempster been included in the calculation of the two ES rates?**

4 A. No. Consistent with the Settlement Agreement approved in Docket No. DE 14-238, upon
5 transitioning to a competitively procured energy paradigm, the costs associated with the
6 purchases from the IPPs and under the PPAs will all be recovered via the SCRC.

7 **Q. Please describe the detailed support for the calculation of the Large Customer and Small**
8 **Customer ES rates.**

9 A. Attachment CJG-1 (page 1) provides the calculation of the total monthly ES rates for the Small
10 Customer class including the cost of RPS compliance, prior period reconciliation, cost of
11 administrative and general expense associated with the ES offering and costs associated with
12 the Hydro Adjuster. The weighted average fixed rate for the six-month period is calculated on
13 Line 12.

14 Attachment CJG-1 (page 2) provides the calculation of the total monthly ES rates for the Large
15 Customer class including the cost of RPS compliance, prior period reconciliation, cost of
16 administrative and general expense associated with the energy service offering and costs
17 associated with the Hydro Adjuster. The monthly rates for the six-month period are calculated
18 on Line 10.

19 Attachment CJG-2, pages 1 and 2, provide a reconciliation of the Small Customer and Large
20 Customer ES costs and revenues for the sixteen-month period ended July 31, 2019. These
21 pages will be populated for the February 1, 2019 rates and a reconciling factor will be included

1 in the calculation of the energy service rates effective August 1, 2019. This is consistent with
2 Section 2.H of the Settlement Agreement approved in Docket No. DE 17-113.

3 **Q. Has the Company included a calculation of the Hydro Adjuster that was discussed in the**
4 **settlement in Docket No. DE 17-113 and has the Hydro Adjuster been included in the**
5 **individually calculated rates?**

6 A. Yes. The Hydro Adjuster described in the Settlement Agreement in Docket No. DE 17-113 has
7 been included as a line item on Attachment CJG-1, pages 1 and 2, on line 9, and it is included
8 in the ES rates being proposed.

9 Attachment CJG-3 provides the forecasted cost and revenue summary associated with hydro
10 units pending the closing on the sale of those assets. Page 1 of the attachment provides the
11 summary of the Hydro Adjuster costs for the six-month period of August 2018 through January
12 2019 and the calculation of the Hydro Adjuster. Page 2 provides the monthly cost and revenue
13 components relating to the hydro fleet. Page 3 provides further detail relating to forecasted
14 hydro generation along with forecasted energy sales revenues for selling the hydro output in the
15 market along with capacity revenues. Page 4 provides a breakdown of hydro operation and
16 maintenance costs. Page 5 provides a detailed calculation of the return on the Hydro fleet.

17 **Q. If the hydro sale is completed prior to August 1, will the Hydro Adjuster still be included**
18 **in the ES rates?**

19 A. Yes. To avoid customer confusion about what the approved rates are, as well as potential
20 difficulties in programming the Company's billing system, the Company is proposing that the
21 rates submitted for approval in this filing, be the final rates to be billed effective August 1,
22 2018. If the hydro units are sold prior to August 1, or during the August 1, 2018 through

1 January 31, 2019, time frame, all the revenues and costs associated with the Hydro Adjuster
2 would be included in the annual energy service reconciliation process and any over or under
3 recovery would be included in rates at that time.

4 **Q. Has the Company provided updated Tariff pages as part of this filing?**

5 A. Yes, updated tariff pages have been provided as Attachment CJG-4.

6 **Q. Does Eversource require Commission approval of this rate by a specific date?**

7 A. Yes, Eversource is seeking final approval of the proposed ES rates by June 15, 2018, or within
8 5 days of the hearing, to allow for appropriate notice to customers and to implement the new
9 rates for service rendered on and after August 1, 2018.

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

11 A. Yes, it does.