STATE OF NEW HAMPSHIRE before the PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire d/b/a Eversource Energy

DOCKET NO. DE 19-057

NOTICE OF INTENT TO FILE RATE SCHEDULES

Petition for Permanent Rates

Pursuant to RSA 378:28 and N.H. Code Admin. Rules PART Puc 1604 and Puc 203.06, Public Service Company of New Hampshire d/b/a Eversource Energy ("PSNH" or the "Company") hereby petitions for the Commission to fix and determine permanent rates to be effective for service rendered on and after July 1, 2019, and for such other relief as requested. In support of this Petition, PSNH states the following:

- 1. On March 22, 2019, PSNH filed with the Commission its Notice of Intent to File Rate Schedules pursuant to N.H. Code Admin. Rule Puc 1604.05 pertaining to its request for temporary rates. On April 26, 2019, the Company filed with the Commission testimony, attachments and other information supporting that request. Pursuant to that submission, PSNH sought an increase in temporary rates of approximately \$33 million effective July 1, 2019 pending the Commission's determinations on the Company's permanent rate request. The Company's request for temporary rates is currently pending before the Commission.
- 2. Also, on April 26, 2019, the Company filed with the Commission its Notice of Intent to File Rate Schedules pertaining to its request for permanent rates. The testimony, attachments and other information included with this Petition comprise the Company's request for a permanent rate change consistent with that notice.
 - 3. The Company's permanent rate filing includes the following testimony:

- Case Overview: William J. Quinlan, PSNH President and Chief Operating
 Officer, discussing the Company's overall goals, policies, and objectives, and introducing other witnesses;
- Revenue Requirement Analysis: Eric H. Chung and Troy M. Dixon present the
 Company's general revenue requirement analysis and associated revenue
 requirement proposals, including the Company's proposed Distribution Recovery
 Adjustment Mechanism ("DRAM");
- Grid Transformation and Enablement Program ("GTEP") comprised of:
 - O Testimony of Joseph Purington, PSNH's Vice President of New Hampshire Electric Operations, and Lee Lajoie, the Manager of System Resiliency for PSNH, discussing the Company's plan to upgrade the condition of its distribution system to meet growing expectations of customers, increase resiliency and integrate a range of advanced energy solutions and operations goals;
 - Testimony of Jennifer A. Schilling, Director of Grid Modernization for Eversource Energy Service Company, and Charlotte B. Ancel, Director of Clean Energy Strategy, Policy, and Development for Eversource Energy Service Company, discussing the Company's proposed demonstration projects for energy storage and community microgrid.
- *Return on Equity and Capital Structure*: Ann E. Bulkley, Senior Vice President of Concentric Energy Advisors, Inc., presents evidence and provides a

recommendation regarding the Company's Return on Equity and an assessment of the capital structure to be used for ratemaking purposes;

- Vegetation Management: Robert D. Allen, Manager of Vegetation Management for Eversource Energy Service Company, provides testimony on the Company's proposals relating to the vegetation management activities on the PSNH system, including the plans for enhanced tree trimming, hazard tree removal, and full-width right-of-way clearing;
- Senior Vice President of the Customer Group for Eversource Energy Service

 Company, presents two proposals to enhance the customer service experience,

 specifically, implementation of a "fee free" credit/debit card payment system that

 will allow residential customers to pay their bills electronically without a

 transaction fee, and an arrearage forgiveness program for eligible residential

 customers;
- Plant Additions: Testimony of Erica L. Menard, Manager, Revenue
 Requirements for PSNH, discussing the Company's historical capital additions;
- Depreciation: John J. Spanos, President of Gannett Fleming Valuation and Rate
 Consultants, LLC, presents the depreciation study performed for PSNH;
- Allocated Cost of Service Study and Marginal Cost of Service Study: Amparo
 Nieto, Senior Vice President at Economists Incorporated, provides two pieces of
 testimony, the first in support of the allocated cost of service study and the second

in support of the marginal cost of service study, both used by PSNH in developing its proposed distribution rates; and

- Rates: Edward A. Davis, Director of Rates for Eversource Energy Service
 Company, presents the proposed changes to distribution rates and corresponding tariff changes associated with the revenue requirement for permanent rates, as discussed in Mr. Chung and Mr. Dixon's revenue requirement testimony.
- 4. As described through the above-identified testimony, and the accompanying attachments and other information, PSNH's filing demonstrates that the present distribution revenue operating deficiency exists primarily due to the substantial amount of capital investment that PSNH has made as part of its efforts to upgrade its system infrastructure over the past 10 years to improve electric services in the 211 cities and towns served by the Company. Absent rate relief, the Company will not have a reasonable opportunity to earn a reasonable return on the cost of its property that is used and useful in the public service, resulting in a confiscation of the Company's property.
- 5. The Company's overall request is for a rate change of \$69.9 million (inclusive of the \$33 million requested as part of the Company's temporary rate request) representing an adjustment of approximately 4.7 percent on a total bills basis. Such an increase would permit the Company a reasonable opportunity to earn a reasonable return in line with similarly situated companies. Specific bill impacts for each customer class are set out in the accompanying testimony.
- 6. The reports on file with the Commission and the supporting documents filed with this Petition demonstrate that the Company is entitled to the increases in rates outlined above in order to have an opportunity to earn a reasonable rate of return as required by RSA 378:27 and

RSA 378:28. The rate adjustments requested by the Company result in rates that are just and reasonable and in the public interest and that, therefore, should be approved.

WHEREFORE, PSNH respectfully requests that the Commission:

- A. Grant the Company's request for a permanent rate increase of \$69.9 million, as described in the included testimony and supporting information; and
- B. Order such further relief as may be just and equitable.

Respectfully submitted,

Public Service Company of New Hampshire d/b/a Eversource Energy By Its Attorney

Dated: May 28, 2019

By:

Matthew J. Fossum

Senior Counsel

Public Service Company of New Hampshire d/b/a Eversource Energy

780 N. Commercial St.

Manchester, NH 03101

603-634-2961

Matthew.Fossum@eversource.com

Davil P. Veron

By:

Daniel P. Venora

Keegan Werlin LLP

99 High Street, Suite 2900

Boston, MA 02110

(617) 951-1400

dvenora@keeganwerlin.com

CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached Motion to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

May 28, 2019	
Date	Matthew J. Fossum