## **STATE OF NEW HAMPSHIRE**

**Inter-Department Communication** 

**DATE:** June 25, 2021 **AT (OFFICE):** NHPUC

- FROM: Elizabeth Nixon, Utility Analyst
- SUBJECT: DE 19-057 Eversource Energy and DE 21-071 Eversource Energy Street Lighting Adjustments Staff Recommendation Regarding Adjustments to Street Lighting Tariff
  - TO: Commissioners Debra Howland, Executive Director
  - CC: Tom Frantz, Director, Electric Division Rich Chagnon, Assistant Director, Electric Division Brian Buckley, Staff Counsel

## <u>Summary</u>

On March 31, 2021, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition in DE 21-071 for approval of adjustments to its street lighting tariffs and a proposal for a new tariff, Rate EOL-2. On June 1, 2021, Eversource filed a compliance tariff related to changes for Rate OL and Rate EOL in both DE 21-071 and DE 19-057. These filings were required by the Settlement Agreement filed by parties on October 9, 2020 in Docket No. DE 19-057 (Settlement), Eversource's distribution rate case, and approved by the New Hampshire Public Utilities Commission (Commission) on December 15, 2020 in Order No. 26,433.

Staff confirms that the compliance tariff issued on June 1 with the revised hours of operation per year and related monthly kWh per luminaire changes to Rate OL and Rate EOL effective August 1, 2021 are consistent with the Settlement.

Staff recommends approval of the changes regarding fixture ownership, replacement, installation and maintenance as proposed in Rate EOL-2 effective January 1, 2022; and also the inclusion of advanced lighting controls as an option in Rate EOL and Rate EOL-2 scheduled to go into effect on January 1, 2022. Staff recommends Eversource file a compliance tariff for Rate EOL and EOL-2 by December 1, 2021, prior to the January 1, 2022 effective date.

Staff anticipates that Eversource will file a request later this year to add language to its outdoor lighting tariffs to also address these options for efficient private area outdoor lighting.

## **Background**

On October 9, 2020 in Docket No. DE 19-057, parties filed a Settlement, which was approved by Order No. 26,433 on December 15, 2020. Consistent with Section 14 of the Settlement, on March 31, 2021 with a supplemental filing on April 8, 2021, Eversource filed a petition for approval of adjustments to its street lighting tariffs and proposed a new tariff, Rate EOL-2. On June 1, 2021, Eversource filed additional changes to the tariff related to Rate OL and Rate EOL. Consistent with the Settlement, Eversource proposed the following:

- Updated operating hours in Rate OL and Rate EOL using sunrise and sunset data available from the U.S. National Oceanographic Atmospheric Administration (NOAA), and adjusting for one-half hour before sunrise and one-half hour after sunset;
- 2) Allowing for advanced lighting controls in Rate EOL; and
- 3) Creating a new tariff (Rate EOL-2), similar to Liberty Utilities' Rate LED-2, to allow for municipalities to replace, own, install, and maintain advanced lights (e.g., Light Emitting Diode (LED)) and allow for flexibility with the use of advanced lighting controls.

With the revised calculation, the hours of operation per year hours for the all-night service changes from 4,345 hours to 3,937 hours, and for midnight service from 2,005 hours to 1,816 hours, which better aligns with the actual hours of operation for the streetlights. With the revised operating hours, the kilowatt-hours (kWh) per fixture were updated. The changes will go into effect on August 1, 2021. The revised hours of operation per year was approved per Order No. 26,433 in Docket DE 19-057.

The new Rate EOL-2 allows for municipalities to install advanced lights (such as LED) by paying for the undepreciated (unexpired) value of the fixture, then also paying for the new fixtures and the associated installation and maintenance costs. Municipalities may also opt for advanced lighting controls, which would control the operating hours and average operating wattage of the lights. These changes are scheduled to go into effect on January 1, 2022.

As noted in the filing, Eversource is currently working with internal groups to determine the necessary adjustments to the billing system to be able to offer this rate for efficient private area outdoor lighting (i.e., LED). The Company plans to file a request to add language to its outdoor lighting tariffs later this year to address those customers.

## **Recommendation**

Staff confirms that the compliance tariff issued on June 1 with the revised hours of operation per year and related monthly kWh per luminaire changes to Rate OL and Rate EOL effective August 1, 2021 are consistent with the Settlement.<sup>1</sup>

Staff also supports Eversource's plan to add Rate EOL-2 with the options outlined in its filing and recommends that the Commission approve this plan and direct Eversource to file updates to its proposed Rate EOL-2 tariff by December 1, 2021 for rates effective January 1, 2022

<sup>&</sup>lt;sup>1</sup> The June 1, 2021 tariff filing also includes changes relating to two other Eversource petitions pending before the Commission that also have an anticipated rates effective dates of August 1, 2021: (1) Eversource's petition in DE 19-057 for approval of its second step adjustment; and (2) Eversource's petition in DE 21-029 for approval of a change in its regulatory reconciliation adjustment rate. If the Commission does not approve those petitions as filed, the tariff will require further revision.

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