

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 Base Rate Adjustment Pertaining to Fee Free and New Start Programs

Pursuant to the terms of the Settlement Agreement (the “Settlement Agreement”) approved by the New Hampshire Public Utilities Commission (“Commission”) in Order No. 26,433 (December 15, 2020) in the instant docket, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) hereby requests approval to implement an adjustment to its base distribution rates, effective February 1, 2022, to recover costs of the New Start arrears management program as authorized by Section 13.3 of the Settlement Agreement. In addition, the Company hereby proposes to make no adjustment to its base distribution rates for increased costs pertaining to its Fee Free credit/debit card program costs at this time, and to reconcile such costs at the time of its next rate case, consistent with Section 12.3 of the Settlement Agreement. In support of this Petition, Eversource states the following:

I. New Start Arrears Management Program

1. Section 13 of the Settlement Agreement authorizes the Company to implement the New Start arrears management program in New Hampshire. The New Start program provides payment assistance for qualifying residential customers struggling with past due utility bills. The ultimate goal of New Start is to enable customers to manage and pay for their energy usage and break the

cycle of building arrears, being disconnected and carrying debt, while, at the same time, enabling the utility control the costs associated with collection activities on these accounts.

2. Section 13.4 and Appendix 7 of the Settlement Agreement set forth the general framework for design of the New Start program, which was substantially consistent with the Company's initial proposal in the rate case. Additionally, Section 13.5 provided that the Company would convene a stakeholder group to develop a comprehensive program design and to assist in the long-term monitoring and evaluation of the program. The Company convened the stakeholder group as required, the group filed a report of its efforts on April 15, 2021, and that report was adopted by the Commission by a letter dated June 1, 2021.

3. Relative to the costs of the New Start program, Section 13.2 of the Settlement Agreement allowed Eversource to include \$340,000 of program start-up costs in base rates annually beginning January 1, 2021, subject to reconciliation at the time of the Company's next rate case. Such costs were intended to cover the necessary IT program changes required to implement the New Start program, which was targeted to occur in the first quarter of 2022.

4. Additionally, Section 13.3 of the Settlement Agreement authorizes the Company to recover \$1,077,356 in base distribution rates annually as of February 1, 2022, subject to reconciliation at the time of the Company's next rate case, with carrying charges on the over- or under-recovered balance, to fund a reserve account for funds collected through rates for the New Start program. Section 13.3 states: "[t]estimony and supporting materials relating to implementing this adjustment to base rates shall be included in the materials submitted with the Company's SCRC filing for effect on February 1, 2022." This Petition, including the supporting testimony and attachments, constitutes the Company's request to implement recovery of the \$1,077,356 in base distribution

rates annually as of February 1, 2022, as authorized by Section 13.3. The New Start program is described in more detail in the testimony and attachments of Company witness Theresa Washington.

II. Fee Free Credit/Debit Card Payment Program

1. Section 12 of the Settlement Agreement authorized the Company to implement a “fee free” option through its payment processing vendor that would allow customers to pay their monthly bills with a credit/debit card without incurring a transaction fee. The program was proposed to meet customer needs and expectations by eliminating the transaction fee for certain credit and debit card payments and to recover the cost of this arrangement through base distribution rates. The estimated costs for implementing the program were based upon the volume of expected transactions in the years following implementation.

2. Section 12.2 and Appendix 6 of the Settlement Agreement establish the terms of the Fee Free program, including that the program shall be implemented as an option for residential customers for one-time, rather than recurring, payments; that the Company shall monitor and report on the adoption rate of the program; and shall be based on the updated costs and adoption rates included in Appendix 6.

3. Section 12.3 of the Settlement Agreement authorized the Company to recover \$375,000 of program-related costs in base rates annually beginning January 1, 2021, subject to reconciliation at the time of the Company’s next rate case, with carrying charges on the over- or under-recovered balance. Section 12.3 further states “[i]f the actual costs resulting from customers’ adoption of the fee free option exceed the \$375,000 allowed in rates in the first year, the Company shall increase

the amount in rates to an amount reflecting the estimated cost, but not more than \$520,500, effective February 1, 2022.”

4. As described in the attached testimony of Company witness Christopher G. Kishimoto, the Fee Free program was implemented as anticipated on February 11, 2021. Based upon the actual and projected first-year participation rates, the Company anticipates that the costs will exceed the projected first year estimate of \$375,000 by less than \$20,000, and remain below the cap. Given the relatively small amount by which program costs are anticipated to exceed the existing recovery amount, the Company proposes to make no adjustment to its base distribution rates for increased costs pertaining to its Fee Free credit card program costs at this time and to reconcile such costs at the time of its next rate case, consistent with Section 12.3 of the Settlement Agreement. Additionally, as explained in the accompanying testimony of Mr. Kishimoto, the Company is not proposing any changes to the Fee Free program at this time.

III. Cost Recovery and Bill Impacts

1. As indicated above, the Company proposes to implement recovery of the New Start program costs, as authorized by Section 13.3 of the Settlement Agreement, commencing as of February 1, 2022.

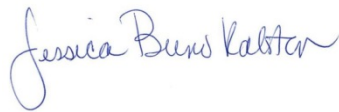
2. In addition to the testimony and supporting materials identified above, the Petition also includes the joint testimony of Erica L. Menard and Jennifer A. Ullram on the proposed rate recovery and bill impacts related to such costs. Further, their testimony demonstrates that the rate adjustments requested by the Company in this filing are just and reasonable and in the public interest.

WHEREFORE, Eversource respectfully requests that the Commission:

- A. Grant the Company's request to implement recovery of \$1,077,356 as authorized by the Settlement Agreement;
- B. Schedule a hearing expeditiously and approve the Petition no later than January 24, 2022 for a February 1, 2022 rate effective date; and
- C. 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



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Dated: December 15, 2021

CERTIFICATE OF SERVICE

I hereby certify that on December 15, 2021, I caused the attached to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

Jessica Burns Kalster
