

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: May 19, 2020

AT (OFFICE): NHPUC

RC

FROM: Gary Cronin
Utility Analyst – Electric Division

SUBJECT: Docket No. DE 20-061, Public Service of New Hampshire d/b/a Eversource Energy
Proposed Tariff Amendment to Extend Repayment Term for Energy Efficiency Loans
Staff Recommendation

TO: Commissioners
Debra Howland, Executive Director

CC: Tom Frantz, Director, Electric Division
Amanda Noonan, Director, Consumer Services and External Affairs
Rich Chagnon, Assistant Director, Electric Division
Paul Dexter, Staff Attorney

Summary

On April 29, 2020, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a request to amend the terms of its tariff relating to the maximum repayment term of energy efficiency loans through on-bill financing enumerated in the Energy Efficiency Loan Program as a result of the economic impact of the Novel Coronavirus (COVID-19) pandemic. Staff has reviewed Eversource's request and the proposed tariff changes, and believes the extension is just and reasonable.

Staff recommends approval of this tariff change for an effective date of June 1, 2020, and further recommends the Company notify all customers currently enrolled in the Energy Efficiency Loan Program in writing of their option to request the extension due to the COVID-19 pandemic.

Background

The economic impacts of COVID-19 pandemic are widespread and continue to grow: the full effects have yet to manifest. As stated in Eversource's technical statement, all during this crisis, the Company has been proactively strategizing to provide reliable, stable energy supply and service for all its customers in these uncertain times. This entails going beyond the measures of the March 17, 2020 Executive Order by Governor Sununu suspending disconnections and late charges for late or nonpayment of utility bills, and includes implementing further internal company-wide and state-specific policies that alleviate hardships customers are encountering.

One such measure is deferring or extending energy efficiency loan payments for Eversource customers.

Pursuant to the Company's existing tariff, non-residential customers can have their loan repayment term extended, but residential customers are "subject to the maximum repayment term limit of 24 months."¹ Eversource has requested that the Commission allow the tariff to be amended to extend that repayment period to a maximum of 36 months. This tariff change would provide the Company with an additional 12 months, so that it may work with its customers to restructure their payment plans. Eversource has determined that extending the repayment period for residential energy efficiency loans is sensitive to customer needs and financially sound for the Company.

Eversource states that the Company is taking internal steps across the relevant departments (customer service, billing, and energy efficiency) so that it can support extending the repayment term for residential customers with energy efficiency loans secured through on-bill financing. However, in addition to internal coordination of various departments within the Company, Eversource's current tariff must also be revised to accommodate the financial need of its customers. The Company's current tariff, in relevant part states: "Residential Participating Customers may specify the repayment term of the Customer Loan Amount subject to the maximum repayment term limit of 24 months." Eversource requests through this petition that the tariff be revised to extend the maximum repayment term from 24 months to 36 months, at the Company's discretion.

While disconnection and late payments have been suspended for New Hampshire customers during the state of emergency declared by the Governor, nothing specifically addresses repayment of energy efficiency loans, and the suspension of penalties does not currently extend past the state of emergency. The requested tariff revision accounts for both. The additional 12 months, if needed, can alleviate economic hardship for residential customers by making the loan repayment more feasible and consequently minimizing or eliminating potential arrearages that would otherwise arise in the face of ongoing economic hardship stemming from the COVID-19 pandemic.

Analysis and Recommendation

Staff has reviewed Eversource's request and proposed tariff changes for the extension to its Energy Efficiency Loan Program. Staff recommends approval of this tariff change effective date of June 1, 2020. The Office of Consumer Advocate (OCA) has expressed its support of Staff's position. Staff further recommends Eversource notify all customers currently enrolled in the Energy Efficiency Loan Program in writing of their option to request an extension due to the COVID-19 pandemic, starting June 1, 2020.

¹ Energy Efficiency Loan Program, 1st revised page 96, tariff NHPUC No. 9.

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