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October 14, 2021

Dianne Martin, Chairwoman
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH 03301-2429

Re: Docket No. DE 21-077, Eversource Energy Service Solicitation
Proposed Reconciliation Adjustment to Disallow Certain
Class III REC Purchase Costs for RPS Compliance
Response to Eversource Motion for Removal of Issue

Dear Chairwoman Martin:

The Department of Energy (Department) hereby responds to the *Motion for Removal of the Issue of Recovery of \$1.6 Million in REC Purchases and RPS Compliance from the December Eversource Energy Service Hearing for Additional Process* (Motion) filed by Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) on October 7, 2021 and corrected on October 8, 2021.

In the Motion, Eversource requested that the Commission remove the issue of excess Class III renewable energy certificate (REC) purchase cost recovery from the rest of the December adjustment to Eversource's energy service (ES) rate proceeding "by either scheduling a separate, additional hearing solely on this issue or opening a new adjudicative docket to fully consider this matter." Motion at 7.

The Department had recommended a reconciliation adjustment with respect to Eversource's purchases of Class III RECs for 2020 Renewable Portfolio Standard (RPS) compliance made in excess of the statutory alternative compliance payment (ACP) rate applicable to New Hampshire RPS Class III, resulting in a disallowance of \$1,592,755. The Department stated that reconciliation could be adjudicated in connection with Eversource's December ES rate filing. *See* Department recommendation letter filed on September 20, 2021.

The Department would not object to addressing this issue separately from the December ES rate adjustment, which is typically heard and decided through an accelerated process, provided that a decision regarding the recommended reconciliation is issued in time for any disallowance to be implemented for ES rates effective on February 1, 2022. Timely implementation of the disallowance would relieve Eversource's ES customers from paying for costs they should not be charged at the earliest possible time, rather than

having to wait for such relief until a future reconciliation that might not occur otherwise until later in 2022.

The Department otherwise objects to the Motion on the merits and believes that the recommended reconciliation adjustment and \$1,592,755 disallowance should be ordered by the Commission, all for the reasons set forth in the Department's September 20, 2021 recommendation letter.

Sincerely,

/s/ David K. Wiesner

David K. Wiesner
Legal Director/Sr. Hearings Examiner

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