STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 21-078

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Petition for Electric Vehicle Make-Ready and Demand Charge Alternative Proposals

Order on Motion for Clarification

ORDER NO. 26,699

October 10, 2022

On August 15, 2022, the Commission issued Order No. 26,667 approving, with clarifications, the settlement agreement filed by the parties in this docket. That order authorized Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) to expend up to \$2,100,000 for an EV Make-Ready program accounted for in a regulatory asset. The Commission further pre-approved \$650,000 of the \$2,100,000 as capital expenditures eligible for Eversource's return on capital. Although the order pre-approved this \$650,000 based upon "illustrative" documents submitted in the docket, *see, e.g.*, Hearing Exhibit 2, Bates Pages 15-16 (Joint Testimony of Edward Davis, Brian Rice, and Kevin Boughan), the order did not make any specific pronouncements as to whether any capital expenditures in excess of the \$650,000 would be eligible for return on capital after approval in the Company's next distribution rate case.

On September 14, 2022, Eversource jointly filed a motion for rehearing with the New Hampshire Department of Energy (DOE), the New Hampshire Department of

 $^{^{1}}$ The procedural history leading up to that order is adequately described in Order No. 26,667 and does not bear repeating here.

Environmental Services (DES), the Office of the Consumer Advocate (OCA), Clean Energy New Hampshire (CENH) and the Conservation Law Foundation (CLF). The parties characterized the \$650,000 pre-approval figure as an arbitrary and unconstitutional "cap"² and asked that the Commission "[w]ithdraw the limit on capital expenditures eligible for a rate of return."

On September 8, 2022, the Commission issued Order No. 26,690. In that order, the Commission determined that further hearing of the issues presented by the parties was warranted and ordered rehearing of Order No. 26,667. The order also scheduled a hearing on October 24, 2022.

On October 6, Eversource filed a motion for clarification as to the scope of the hearing.³ It further sought clarification as to whether the Commission expected witnesses to testify, and whether such witnesses would be allowed to testify remotely. Because Order No. 26,690 was silent on these issues, we determine that clarification is appropriate in this case and clarify the order as follows.

It is the Commission's understanding that Eversource's motion raises two distinct issues upon which it and the other parties seek rehearing. First, Eversource argues that the Commission's pre-approval of some portion of the \$2,100,000 as eligible for return on capital is a "de facto cap on capital spending" and that such a pre-approval is unlawful. Second, it argues that the \$650,000 figure is arbitrarily imposed.

² Although Order No. 26,667 referred to the \$2,100,000 figure as a "cap," it did not do the same for the \$650,000 figure.

³ Because all parties to this docket joined in the request for rehearing, the Commission assumes there will be no objections to this request for clarification. To the extent waiver is necessary, the Commission hereby waives, pursuant to Puc 201.05, the 10-day objection deadline of Puc 203.07(e).

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Whether the pre-approval for eligibility for a portion of the \$2,100,000 constitutes a pre-denial on any additional capital expenditures beyond that portion is a legal question. Furthermore, if such a pre-denial does function as a "cap," it is a legal question as to whether the Commission may lawfully impose such a "cap." The Commission believes that further legal argumentation on these points will aid in its decision-making process. Fact witnesses are not necessary for this purely legal discussion.

The second subject of the parties' motion for rehearing is the \$650,000 number itself and whether the pre-approved amount (based upon the parties' illustrative documentation) is "arbitrary." This question involves a determination as to the portion of the \$2,100,000 that may be applied to rate-of-return eligible capital spending. To be eligible for inclusion in distribution rate base, such capital spending must be found to be prudent, used, and useful. RSA 378:28. This is a factual inquiry. Although the Commission based this number on the parties' illustrative figures, the parties assert that those illustrative figures are not to be relied upon. To the extent that the parties wish to further develop the record on this factual issue, they are welcome to do so at the re-hearing through any normal means. This includes witness testimony.

Should any party wish to present remote witness testimony, they may make a request for remote participation, and the Commission will review any such requests in the ordinary course.

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Based upon the foregoing, it is hereby

ORDERED, that Order No. 26,690 is hereby CLARIFIED as fully laid out herein.

By order of the Public Utilities Commission of New Hampshire this tenth day of October, 2022.

Daniel C. Goldner Chairman radip K. Chattopadhyay Commissioner

Carleton B. Simpson Commissioner DE 21-078 - 5 -

Service List - Docket Related

Docket#: 21-078

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