

STATE OF NEW HAMPSHIRE

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September 16, 2022

Daniel C. Goldner, Chairman
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH 03301

Re: DE 22-030; Public Service Company of New Hampshire d/b/a Eversource Energy;
Petition for Third Step Adjustment; Department of Energy, List of Planned
Recommended Disallowances from Step Adjustment Recovery

Dear Chairman Goldner:

Pursuant to the Procedural Order in the is matter dated September 9, 2022 the Department of Energy submits this letter to list the step adjustment disallowance recommendations the Department plans to make at the September 20 hearing.¹

Exhibits 3 and 4: Nashua Work Center Renovation

Recommend no recovery in this step adjustment. Recommend deferral of these cost (over \$8 million) for review in the next rate case because the record does not adequately demonstrate that Eversource selected the least cost/best cost contactor for this project, and because the over budget amount of \$427 thousand was not adequately explained.

Exhibit 5: Emerald Street Substation

Recommend deferral of these cost for review in the next rate case because the project was undertaken to serve load growth and the project was over budget by over \$3 million, which has not been adequately explained.

Exhibit 6: Pad Mount Transformer – Goffstown

Recommend disallowance of over budget amount of \$371 thousand (more than 90% over budget) due to inadequate analysis of the project at the time of decision.

¹ The recommendations listed are based on the information reviewed to date and are compiled without the benefit of direct and cross examination of Eversource's witnesses. Thus, these recommendations are subject to change at the September 20 hearing.

Exhibit 7: Purchase of Transformers

Recommend disallowance of over budget amount of \$3 million (26% over budget) which has not been adequately explained.

Exhibit 8: Annual Reliability Projects

Recommend disallowance of over budget amount of \$317 thousand (9% over budget) which has not been adequately explained.

Exhibit 9: Maintain Voltage Project

Recommend disallowance of over budget amount of \$428 thousand (37% over budget) which has not been adequately explained.

Exhibit 10: Replace Submarine Cable

Recommend disallowance of \$15 thousand to reflect prior disallowance decision of the Commission which has not been fully reflected on Eversource's books.

Exhibit 11: Millyard Substation Replacement

Recommend disallowance of \$87 thousand in real estate costs because the substation was not in service in 2021.

Consistent with the Commission's *Temporary Changes in Filing Requirements* (March 17, 2020) this letter is being filed only in electronic form.

Sincerely,

/s/ *Paul B. Dexter*

Paul B. Dexter
Staff Attorney/Hearings Examiner

Cc: Service List