

**STATE OF NEW HAMPSHIRE
BEFORE THE NEW
HAMPSHIRE PUBLIC UTILITIES COMMISSION**

Docket No. DE 23-043

**Public Service Company of New Hampshire d/b/a Eversource Energy
Default Energy Service Rate Filing**

Technical Statement of Scott T. Balise
Department of Energy, Division of Regulatory Support

December 18, 2023

The Department of Energy (Department) has reviewed Eversource Energy's 2022 Default Service and Renewable Energy Credits Lead Lag Study (Study) included with the Company's filing in DE 23-043 made on June 15, 2023. The Department recommends that the Commission accept the results of the study as accurate and reasonable for use in the Company's calculations of Cash Working Capital (CWC) relating to Default Energy Service and Renewable Portfolio Standard (RPS) expenses.

Procedural Background

On June 15, 2023, Eversource Energy (Eversource or Company) submitted testimony and supporting schedules of Marissa B. Paruta and Scott R. Anderson which comprise the Company's 2022 Default Service and Renewable Energy Credits Lead Lag Study. The Study presents data related to the Company's collection of revenues from customers and necessary expenses incurred in the provision of service and which is used in the calculation of cash working capital to be included in the calculation of Default Service rates for the Small and Large customer groups.

DOE's Analysis and Recommendation

The Department has completed its review of Eversource's Study used for the calculation of Cash Working Capital (CWC) requirements related to the Company's provision of Default Energy Service and compliance with New Hampshire's Renewable Portfolio Standard statute. The Department believes that the results of the Study are reasonable, and appropriately determine the calculation of the required CWC component of the Default Energy Service rate. The Department recommends that the Commission accept the Study results as filed.

The Department reviewed Eversource's filing for each component used in the Company's Study for calculation of its CWC requirements for the development of its Default Energy Service currently in effect and for rates proposed to be in effect for February 2024 through July 2024. The Department also analyzed the live Excel files provided by the Company to confirm the methodology used and the accuracy of each component in the Study for each time periods listed above. Table 1 attached provides details of the current and previous lead lag studies conducted for the calculation of the CWC component. The Department confirmed the methodology used in the Company's Study for

the calculation of CWC requirements is similar to that used in previous studies. The Department expects that the Company will continue to use a similar Lead Lag Study approach in future Default Energy Service filings and that such studies will be performed and submitted annually.

Conclusion

The Department believes that the results of Lead Lag Study are reasonable, and appropriately determine the calculation of the required CWC component of the Default Energy Service rate. The Department recommends that the Commission accept the lead/lag study results as filed.