

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

Docket No. DE 23-077

Public Service Company of New Hampshire d/b/a Eversource Energy

Petition for Approval of Application of Rate B Special Provision for Velcro USA

Technical Statement of Mark P. Toscano
New Hampshire Department of Energy, Division of Regulatory Support

October 20, 2023

The New Hampshire Department of Energy (DOE) has reviewed the Public Service Company of New Hampshire d/b/a Eversource Energy's (Eversource Energy) petition for approval of the application of Rate B Special Provision for Velcro USA, filed August 22, 2023. DOE also reviewed the affidavit supporting the application of the Special Provision clauses and the narrative of the Special Provision as applied to Velcro USA.

Eversource is seeking Commission approval to apply the Special Provision clauses in the current Rate B portion of the Eversource delivery tariff to its existing Eversource customer Velcro USA, consistent with the requirements of the Special Provision clauses.

As described herein, in the opinion of the DOE, the application of this Rate B Special Provision for Velcro USA (Velcro) is appropriate and necessary to ensure accurate and fair electricity usage and costs are allocated. If the Commission accepts DOE's recommendation and approves Eversource's request, DOE believes that no further process is necessary, and the docket may be closed.

Background

In May 2021, the Commission's Consumer Services and External Affairs Division¹ received initial inquiries from a consultant representing Velcro USA regarding concerns about electricity rates, charges, and metering issues. The consultant on behalf of his client Velcro believed Eversource was determining Velcro's power factor² and billing determinants incorrectly, resulting in incorrect demand charges. The consultant stated he and Velcro had been working with Eversource in an effort to resolve the issue but had been unsuccessful. At the request of the Consumer Services and External Services Division, the consultant provided a letter to the Department's Consumer Services Division

¹ On July 1, 2021, the Consumer Services and External Affairs Division became the NH Department of Energy Consumer Service Division.

² Power Factor (PF) is the ratio of working (real) power to apparent power, or the formula $PF = kW / kVA$. A high PF benefits both the customer and utility, while a low PF indicates poor utilization of electrical power.

describing the issue on September 16, 2021, requesting “support and guidance in navigating a complex rate issue” and stating that Eversource and Velcro were “at an impasse.”

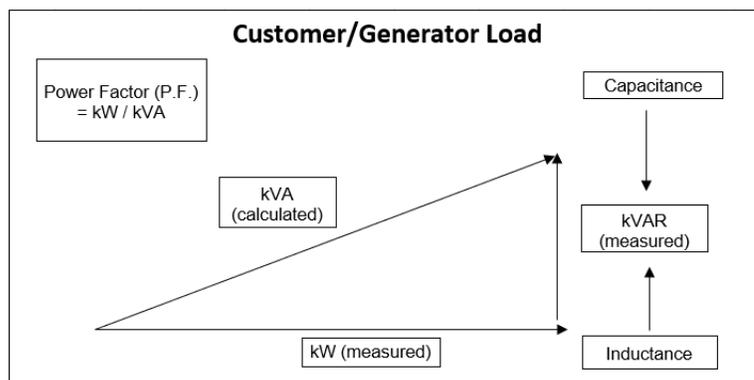
Over the course of several months, DOE worked with the consultant, Velcro, and Eversource to fully understand the issues. Velcro is a Rate B customer, which means it has its own generation that provides much of its own load requirements. Additional (supplemental) power is provided to Velcro by Eversource under a different rate class. As stated by the consultant, Velcro’s situation was a complex issue involving the application and interpretation of the rates, terminology, and billing determinants in Eversource’s tariff, as well as the location of the Eversource metering, and time periods used for some of the billing determinants.

DOE’s Analysis and Recommendation

DOE was engaged with Velcro, their consultant, and Eversource over the course of several months in early 2022. The engagement consisted of several meetings and substantial email correspondence regarding Velcro’s electric loads, metering readings, billing determinants, billing calculations, Eversource tariffs, Velcro’s electric bills, and other related information.

The DOE staff reviewed and evaluated the information provided and concluded there were issues that needed to be addressed related to Eversource’s application of metering data and the billing determinants for Velcro. Eversource agreed and revisited its tariff and metering, while continuing to work with Velcro.

As stated by the consultant, this issue was complex and required substantial analysis and discussion. However, in the simplest terms, the primary issues were about how “Backup Contract Demand” (BCD)³ is determined and applied for Rate B and supplemental power, and where and when the real power⁴ (in kW) and reactive power⁵ (in kVAR) are metered or measured and applied. Real power (in kW) and reactive power (in kVAR) are used to calculate the power factor (P.F.) and apparent power⁶ (in kVA). The billing determinants are kW and kVA.



³ Backup Contract Demand: An amount of demand which the Customer may impose on the Company’s distribution system under this Rate Schedule to back up the Customer’s generating facilities.

⁴ Real power (kW) is the amount of electricity consumed.

⁵ Reactive power (kVAR) is the power released and stored by capacitors and inductors (i.e., A/C motors).

⁶ Apparent power (kVA) is the combination of reactive power and true power. It is the product of a circuit’s voltage and current, without reference to phase angle.

In July 2022, Eversource provided DOE with preliminary documents regarding methodology, calculations, and suggested changes for Velcro’s electric service provisions. DOE reviewed and evaluated the documentation and determined it appropriately addressed the issues identified. Eversource continued to develop mutually acceptable terms and methodology for Velcro’s electric service.

On August 22, 2023, Eversource filed the Petition for approval of application of the Rate B Special Provision for Velcro USA and Attachments. The DOE staff reviewed these filings and determined them to be consistent with previous discussions and recommendations.

Further, the DOE staff agree the Special Provisions in Rate B of Eversource’s tariff allow Eversource to create tailored provisions “as may be necessary to reflect the specific circumstances of such Customer, the operating characteristics of Customer's generating equipment or any other particular facts, without limitation, which are necessary, in the Company's sole judgment and subject to Commission approval, to give effect to the purpose and intent of this rate.”⁷

Conclusion

The DOE recommends the Commission approve Eversource’s Petition for approval of application of the Rate B Special Provision for Velcro USA. These changes will result in more accurate billing for Velcro USA and will appropriately reflect the intent of Eversource’s Rate B. In the opinion of the DOE, if the Commission agrees with DOE’s recommendation and approves Eversource’s request, no further process is necessary, and the docket may be closed.

⁷ https://www.eversource.com/content/docs/default-source/rates-tariffs/electric-delivery-service-tariff-nh.pdf?sfvrsn=b0faa55d_17