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STATE OF NEW HAMPSHIRE



DEPARTMENT OF ENERGY
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December 4, 2023

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

Re: DE 23-080; Public Service Company of New Hampshire d/b/a Eversource Energy;
Petition for Approval of the 2024 Lost Base Revenue; *Department of Energy's Position Statement*

Dear Chairman Goldner:

On September 1, 2023, the Public Service Company of New Hampshire d/b/a Eversource Energy ("Eversource" or the "Company") filed its petition to collect Lost Base Revenue ("LBR") as part of the System Benefits Charge from its customers. The Company requested approval of the proposed rate effective January 1, 2024 and asked the Public Utilities Commission ("Commission" or "PUC") to issue an order *nisi*. On October 6, 2023 the Commission issued an Order scheduling a hearing in this matter and directing the Department of Energy ("Department" or "DOE") to file its position, including its reasons by December 4, 2023. On December 1, 2023 Eversource filed revised testimony, which included an updated proposed 2024 LBR rate. In accordance with the October 6, 2023 Order, the Department provides the following Position Statement.

The Department has reviewed the petition and conducted discovery. The Department issued one set of data requests, which the Company responded to, and the Company and the Department met and held a Technical Session. At the Technical Session the DOE asked the Company detailed questions regarding how measure lives and retirements are calculated and integrated into the LBR calculations. Responding to the data requests, Eversource provided a revised proposed LBR rate of \$0.00178 per kWh from the originally proposed rate of \$0.00181 per kWh. This revision is due to updated energy delivery data, revenue collections, and information regarding retirement measures for calendar years 2023 and 2024 that was previously unavailable at the time of the September 1st filing. These updates are reflected in the Company's December 1, 2023 filing.

Based upon the Department's review, the Department's preliminary position is to recommend approval of Eversource's proposed LBR rate as presented to the Commission on December 1, 2023 as the proposed rate appears to be calculated correctly and is

consistent with RSA 374-F:3, VI-a(d)(5) and prior calculations of LBR. Further, Eversource appears to be including retirements in a method consistent with the “Report Issued by the NH Lost Base Revenue Working Group”¹ and the proposed rate is fully reconciling. The proposed rate is a reduction of approximately 0.1% from the LBR rate (\$0.00205) currently in effect.² The Department plans to participate in the scheduled hearing and present its final position at hearing, subject to information which may arise from cross examination of Eversource’s witnesses by the Department or Commissioners. The Department will ask Eversource questions about its LBR calculations but does not intend to sponsor any witnesses.

Consistent with the Commission’s current practices, this letter is being filed only in electronic form.

Thank you for your assistance in this matter.

Sincerely,

/s/ *Molly M. Lynch*

Molly M. Lynch, Esq.
Staff Attorney/Hearings Examiner

cc: Service List (Electronically).

¹ Please see the attached Report Issued by the NH Lost Base Revenue (LBR) Working Group issued on August 29, 2018.

²The Department should note that the total LBR revenue projected to be collected is \$13,839,000, which is more than the prior years.

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