

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

**December 14, 2023** - 1:03 p.m.

21 South Fruit Street  
Suite 10  
Concord, NH

RE: **DE 23-080**

**PUBLIC SERVICE COMPANY OF NEW  
HAMPSHIRE d/b/a EVERSOURCE ENERGY:**  
Petition for Approval of the 2024  
Lost Base Revenue Rate.

**PRESENT:** Chairman Daniel C. Goldner, *Presiding*  
Commissioner Pradip K. Chattopadhyay  
Commissioner Carleton B. Simpson

Eric Wind, Esq./*PUC Legal Advisor*

Doreen Borden, Clerk

**APPEARANCES:** **Reptg. Public Service Company of New  
Hampshire d/b/a Eversource Energy:**  
Jessica A. Chiavara, Esq.

**Reptg. New Hampshire Dept. of Energy:**  
Molly M. Lynch, Esq.  
Scott Balise, Electric Group  
Stephen Eckberg, Electric Group  
(*Regulatory Support Division*)

Court Reporter: Steven E. Patnaude, LCR No. 52

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                                      **MARC E. LEMÉNAGER**

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1	Petition for Approval of the 2024 Lost Base Revenue Rate, including the Testimony of Yi-An Chen and Supporting Attachments	<i>premarked</i>
2	Updated Attachment YC-1 (REVISED)	<i>premarked</i>
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**P R O C E E D I N G**

CHAIRMAN GOLDNER: Okay. Good afternoon. I'm Chairman Goldner. I'm joined today by Commissioner Simpson and Commissioner Chattopadhyay.

We're here in Docket DE 23-080, for a hearing regarding Eversource's proposed 2024 Lost Base Revenue and Corresponding Rate. Eversource requests recovery of approximately \$14 million corresponding to a rate of \$0.00178 per kilowatt-hour to be charged to customers for effect January 1st, 2024, through December 31st, 2024, as identified in Eversource's updated filing dated December 1st, 2023, in this docket.

First, let's take appearances, beginning with the Company.

MS. CHIAVARA: Good afternoon, Commission. Happy Holidays. Jessica Chiavara, here on behalf of Public Service Company of New Hampshire, doing business as Eversource Energy.

CHAIRMAN GOLDNER: Very good. And the New Hampshire Department of Energy?

MS. LYNCH: Good afternoon. My name is Attorney Molly Lynch. And I am here representing

1 the Department of Energy. I am joined by Utility  
2 Analyst Stephen Eckberg, and also Utility Analyst  
3 Scott Balise.

4 Thank you.

5 CHAIRMAN GOLDNER: Thank you.

6 Eversource prefiled and premarked for  
7 identification Exhibits 1 and 2. Are there any  
8 preliminary matters related to these exhibits?

9 *[No verbal response.]*

10 CHAIRMAN GOLDNER: No. Also, the DOE  
11 filed an analysis and report on 8/29 -- whoops,  
12 sorry. I'll do that again.

13 Also, the DOE filed an analysis, and  
14 including a report filed 08/28/18 [08/29/18?],  
15 relative to the calculation of lost base revenue.  
16 Would the DOE object to this being entered as  
17 "Exhibit 3"?

18 MS. LYNCH: No objection.

19 CHAIRMAN GOLDNER: Okay. Does the  
20 Company have any objection?

21 MS. CHIAVARA: No, sir.

22 CHAIRMAN GOLDNER: Okay. Thank you.

23 (**Exhibit 3** reserved.)

24 CHAIRMAN GOLDNER: Okay. Are there any

[WITNESS PANEL: Chen|Leménager]

1 other preliminary matters to address, before we  
2 hear from the witnesses today?

3 *[No verbal response.]*

4 CHAIRMAN GOLDNER: Okay. Seeing none.  
5 Let's begin by swearing in the  
6 witnesses. Mr. Patnaude.

7 *(Whereupon **YI-AN CHEN** and*  
8 ***MARC E. LEMÉNAGER** were duly sworn by*  
9 *the Court Reporter.)*

10 CHAIRMAN GOLDNER: Thank you. And,  
11 then, we'll begin with direct, and Attorney  
12 Chiavara.

13 MS. CHIAVARA: Thank you, Mr.  
14 Chairman. I'm going to begin with Ms. Yi-An  
15 Chen.

16 **YI-AN CHEN, SWORN**

17 **MARC E. LEMÉNAGER, SWORN**

18 **DIRECT EXAMINATION**

19 BY MS. CHIAVARA:

20 Q Ms. Chen, can you please state your name, your  
21 title, and the role that you serve with the  
22 Company?

23 A (Chen) My name is Yi-An Chen. My title is  
24 Director of Revenue Requirements for New

[WITNESS PANEL: Chen|Leménager]

1 Hampshire for Eversource Energy Service Company.

2 Q And what are the responsibilities of your role  
3 with the Company?

4 A (Chen) As the Director of Revenue Requirements, I  
5 am responsible for coordinating and implementing  
6 the revenue requirements calculations and  
7 regulatory filings for Public Service Company of  
8 New Hampshire, doing business as Eversource  
9 Energy.

10 Q And have you ever testified before this  
11 Commission?

12 A (Chen) Yes. I adopted testimony supporting the  
13 System Benefits Charge rate in Docket Number  
14 DE 23-068.

15 Q Thank you. Regarding the September 1st filing,  
16 did you file a proposed 2024 Lost Base Revenue  
17 rate and associated attachments filed on  
18 September 1st, 2023, that are marked as  
19 "Exhibit 1"?

20 A (Chen) Yes, I did.

21 Q And were the attachment -- the testimony and  
22 attachments prepared by you or at your direction?

23 A (Chen) Yes.

24 Q Do you have any changes or updates to make at

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[WITNESS PANEL: Chen|Leménager]

1           this time?

2   A       (Chen) Yes. I actually have one update and one  
3           correction to make.

4                   The update pertains to the filing made  
5           on December 1st, 2023. The Company collected  
6           additional data pertaining to retired measures  
7           since the September 1 filing. Using that data, I  
8           recalculated the rate in Attachment YC-1  
9           (REVISED), and that is what was filed on  
10          December 1st, and is marked as "Exhibit 2". The  
11          result is that original proposed rate of 0.181  
12          cents per kilowatt-hour decreased, and the  
13          Company is now proposing a rate of 0.178 cents  
14          per kilowatt-hour.

15                   As for the correction, it is one very  
16          minor typo on Page 1 of Attachment YC-1  
17          (REVISED), towards the bottom of the page, in the  
18          rows that explains where "Column B" is located.  
19          It currently says "Page 4, line 22, Column O  
20          divided by 1,000". And the correction is  
21          "line 22" should actually be "line 24".

22   Q       Thank you for that explanation. With that, do  
23           you adopt your testimony, with the updates that  
24           you just described, and namely both Exhibits 1



[WITNESS PANEL: Chen|Leménager]

1 and 2?

2 A (Chen) Yes, I do.

3 Q Okay. Thank you. I'd like to turn now to Mr.  
4 Leménager.

5 Mr. Leménager, can you please state  
6 your name, your title, and the Company that you  
7 work for?

8 A (Leménager) My name is Marc E. Leménager. My  
9 business address is 73 West Brook Street,  
10 Manchester, New Hampshire. My position is  
11 Supervisor, Regulatory, Planning and Evaluation.  
12 And, in that position, I provide service for the  
13 Company's energy efficiency programs in New  
14 Hampshire and Connecticut for Eversource energy  
15 Service Company and its affiliates, including  
16 Public Service Company of New Hampshire, doing  
17 business as Eversource Energy.

18 Q And can you describe the responsibilities of your  
19 role with Eversource?

20 A (Leménager) My responsibilities include  
21 participating in and monitoring regulatory  
22 proceedings and stakeholder engagement related to  
23 the energy efficiency programs, as well as  
24 program planning, reporting, coordination, and

[WITNESS PANEL: Chen|Leménager]

1 outreach.

2 Q Thank you. And can you describe what you're here  
3 to speak to today?

4 A (Leménager) I'm here to discuss and answer  
5 questions regarding any historical aspects of  
6 LBR, as well as the implications of the programs  
7 and measure retirements on the LBR rate.

8 Q And have you testified previously before this  
9 Commission?

10 A (Leménager) Yes, I have.

11 Q Thank you. Moving to some direct exam questions,  
12 beginning with Ms. Chen.

13 Can you briefly describe the purpose of  
14 Lost Base Revenue as it functions in relation to  
15 the energy efficiency programs?

16 A (Chen) Yes. LBR is actually meant to make the  
17 utility whole from sales revenue lost from the  
18 installation of energy efficiency measures and  
19 the decreased energy usage that results. LBR is  
20 different from performance incentives in this  
21 respect, and it's actually not compensating the  
22 utility for administering the programs, but  
23 rather simply putting the utility in the position  
24 it would otherwise have been if not for the

[WITNESS PANEL: Chen|Leménager]

1 programs. While in contrast, performance  
2 incentives compensate the utilities for  
3 exceptional administration of the programs and to  
4 incentivize the utilities to prioritize the  
5 programs as they would with other comparable  
6 utility investments.

7 In New Hampshire, both Unitil and  
8 Liberty are insulated from the revenues lost to  
9 energy efficiency by being decoupled, but, since  
10 Eversource is not yet decoupled, and therefore  
11 LBR mitigates that risk specifically for energy  
12 efficiency as decoupling does generally for other  
13 utilities.

14 Q And, so, can you say a bit more about why  
15 Eversource collects lost based revenue?

16 A (Chen) Yes. Eversource has not yet implemented a  
17 revenue decoupling mechanism. And, as I just  
18 discussed, lost base revenue are another way, in  
19 lieu of full decoupling, or other forms of  
20 decoupling, to eliminate the disincentive for  
21 utilities to endorse energy or net metering, by  
22 allowing the utility to recoup lost revenues for  
23 specific, targeted items. LBR will continue to  
24 be calculated, filed and recovered until an

[WITNESS PANEL: Chen|Leménager]

1 alternative recovery mechanism, such as a full  
2 decoupling mechanism, is approved by the  
3 Commission, implemented and put into effect.

4 As part of the Company's last  
5 settlement agreement in its most recent rate  
6 case, Docket DE 19-057, the Company committed to  
7 filing a proposal for a decoupling mechanism as  
8 part of the next rate case. Eversource is in the  
9 early stages of preparing for the next rate case,  
10 and expects to file at some point next year.  
11 Depending on the ultimate resolution of that  
12 proceeding, LBR may be eliminated at its  
13 conclusion.

14 Q And can you now speak a bit more to how the LBR  
15 rate was calculated?

16 A (Chen) Sure. The rate was calculated according  
17 to the directive of RSA 374-F:3, VI(a),  
18 subparagraph (d), which states that LBR  
19 calculations should be conducted as those that  
20 were in effect on January 1st, 2021, which  
21 entails the sum of the 2023 LBR over-recovery  
22 amount carried into 2024, the forecasted LBR  
23 revenue, and the estimated current year  
24 carried-over interest charge on any over or

[WITNESS PANEL: Chen|Leménager]

1 under-recovery amount, the total of which is then  
2 divided by the forecasted sales. The over or  
3 under-recovery of revenue occurs as a result of  
4 the difference between the preliminary calculated  
5 LBR rate and the actual revenue collected from  
6 the LBR rate.

7 Q And, if you could just speak a bit to why the  
8 proposed rate was updated on December 1st?

9 A (Chen) Sure. There are two elements of  
10 forecasting inherent in the LBR rate, those of  
11 measured savings and those of sales, and the  
12 reconciliation of those two forecasts to the  
13 actuals are the primary -- sorry -- the primary  
14 driver of the proposed rate. The Company had  
15 additional retirements data available and  
16 therefore had a more complete picture with which  
17 to calculate the updated rate. This should  
18 result in a reduction of possible under or over  
19 recovery that would need to be reconciled for  
20 2025.

21 Q Thank you. Changing course a little bit. In the  
22 Department of Energy, in the recommendation that  
23 they filed to this docket, that's now marked as  
24 "Exhibit 3", recommending that the Commission

[WITNESS PANEL: Chen|Leménager]

1       approve the proposed LBR rate, they noted that  
2       the projected revenue of \$13.839 million is "more  
3       than prior years". I was wondering if you could  
4       speak to that statement a bit?

5    A     (Chen) Yes. So, I'd like to qualify that  
6       statement, because 2024 forecasted revenues are  
7       not necessarily higher than previous years. If  
8       we look at Attachment YC-1 (REVISED), Page 7,  
9       Line 1, it shows that the 2024 revenues are  
10      actually 1.705 million lower than the 2023  
11      revenues on Page 6, Line 1.

12               The LBR revenues in any given year are  
13      intended to address both the LBR recognized  
14      within the given year, as well as the accumulated  
15      over or under recovery within LBR, which are on  
16      Line 2 and Line 7, respectively. 2023 had a  
17      cumulative under-recovery that is forecasted to  
18      be offset by the end of this year, which means  
19      that the LBR rate in 2024 is able to collect less  
20      and still provide sufficient revenues for both  
21      the LBR recognized within the given year, as well  
22      as any cumulative over or under recovery.

23    Q     Thank you for that explanation. As a final  
24      matter, does the Lost Base Revenue rate of 0.178

[WITNESS PANEL: Chen|Leménager]

1 cents proposed in Attachment YC-1 (REVISED)  
2 result in just and reasonable rates?

3 A (Chen) Yes, it does.

4 MS. CHIAVARA: Okay. Thank you very  
5 much. That is all I have for direct exam.

6 CHAIRMAN GOLDNER: Thank you. We'll  
7 move to cross, and the New Hampshire Department  
8 of Energy.

9 **CROSS-EXAMINATION**

10 BY MS. LYNCH:

11 Q I know we already went over this, but just for  
12 the record, the rate that is being proposed  
13 today, which is found on Exhibit 2, Bates  
14 Page 001, is "0.178 cents", correct?

15 A (Chen) Correct.

16 Q And that is for 2024, correct?

17 A (Chen) Correct.

18 Q And what is the approved LBR rate Eversource  
19 collected in 2023, and that is also referring to  
20 Exhibit 1, Bates Page 006, approximately Line 12?

21 A (Chen) I have -- I actually have Line 9 on  
22 Page 6, but it might be just the --

23 Q Of Exhibit 2?

24 A (Chen) Exhibit 2.

[WITNESS PANEL: Chen|Leménager]

1 Q Yes. Either/or is fine.

2 A (Chen) I think it might be just the lines there.

3 Q What is it?

4 A (Chen) Oh, sorry. It's "0.205".

5 Q Yes. Thank you. So, 2024, the proposed rate is  
6 a small decrease from the current rate, is that  
7 correct?

8 A (Chen) Correct.

9 Q And, as referred to in Exhibit 2, Bates Page 009,  
10 that is a decrease of 0.1 percent, correct?

11 A (Chen) Correct.

12 Q Why is there a decrease in the rate?

13 A (Chen) The rate, so that takes into account the  
14 new year of 2024 forecasted revenue collected,  
15 and also the revenue recovery and versus the lost  
16 revenue, which results in the over- or  
17 under-recovery plus from the prior period  
18 reconciliation. So, it's a combination of two  
19 components.

20 Q And it partially includes that there was an  
21 over-collection in 2023, correct?

22 A (Chen) Correct. Under-recovery, I'm sorry.

23 A (Leménager) So, in 2023, the Company -- the  
24 Company, yes, sorry, the Company will be



[WITNESS PANEL: Chen|Leménager]

1 over-collected ending 2023, according to the  
2 forecast, resulting in a lower rate for 2024.

3 Q And that's -- the Commission can see that on  
4 Exhibit 2, Bates Pages 006 and 007, Line 3,  
5 correct? Oh, I'm sorry. At line 7?

6 A (Chen) Seven. Correct.

7 Q Turning to Exhibit 2, Bates Page 001, what is the  
8 forecasted LBR revenue shown in Column B?

9 A (Chen) 14.2 million.

10 Q And, as you discussed a little bit on direct,  
11 Column E shows 13 -- "13,839,000", is that  
12 correct?

13 A (Chen) Correct.

14 Q Can you further explain why these two numbers are  
15 different, between Column B and Column E?

16 A (Chen) Sure. So, Column B represents the  
17 forecasted LBR revenue that is just for 2024.  
18 So, if I can turn your attention to Exhibit 2,  
19 Bates Number 007, Line 2, Column O, so that is  
20 the sum of the 2024 forecasted total lost  
21 revenue. And, then, if we go back to Page 1,  
22 Column C represents the prior year carryover,  
23 which shows a over-recovery of 411,000. And,  
24 then, that comes with the support coming from

[WITNESS PANEL: Chen|Leménager]

1 Exhibit 2, Bates Page 004, Line -- sorry, Bates  
2 Page 007, Line 4, Column B.

3 Q That was Bates Page 007?

4 A (Chen) Correct.

5 Q And what was the --

6 A (Chen) Line 4.

7 Q Line 4.

8 A (Chen) Column B.

9 Q Column B.

10 A (Chen) That shows the \$411,000 as the  
11 over-recovery that we are flowing back to the  
12 customers as part of the calculation of this LBR  
13 rate.

14 Q Thank you. And, turning to -- I'm pretty much  
15 going to be staying with Exhibit 2. So, if I  
16 forget to say "Exhibit 2", it will be Exhibit 2.  
17 Exhibit 2, Bates Page 002, Line 22, this is the  
18 Excel that discusses 2022, how much LBR revenue  
19 did Eversource collect for that year?

20 A (Leménager) The number shown on Line 22 is the  
21 lost revenue recognized by the Company, not  
22 necessarily the lost base revenue collected from  
23 the rate during that year. So that amount that  
24 was actually recognized by the Company was

[WITNESS PANEL: Chen|Leménager]

1 11.2 million.

2 Q And, since that seems to be an important  
3 distinction, can you further explain the  
4 difference between what's recognized versus  
5 what's collected?

6 A (Leménager) Sure. As Ms. Chen noted, on Page 7  
7 of Exhibit 2, the 14.3 million, that's on Line 2,  
8 that's the lost base revenue recognized as the  
9 result of the program savings. However, the  
10 over-/under-recovery within the fund, as well as  
11 the interest from the carrying charge, has an  
12 implication on the amount of revenue that the  
13 Company needs to collect from the rate, to arrive  
14 at as close as we can to zero at the end of the  
15 year.

16 Q So, the 14 is the recognized?

17 A (Leménager) Yes.

18 Q And, then, the 13, and I hope it's okay if I'm  
19 using the -- if I'm abbreviating the numbers, the  
20 13 million is the collected?

21 A (Leménager) Correct.

22 Q Okay. Thank you. Turning to Exhibit 2, Bates  
23 Page 006, can you explain again what amount was  
24 collected versus what amount was recognized for

[WITNESS PANEL: Chen|Leménager]

1 2023?

2 A (Chen) The amount was -- the amount as forecasted  
3 to be collected by the end of December, by the  
4 end of this year, December 31st, 2023, is a total  
5 of 15.5 million. And that what's recognized as  
6 the total lost revenue is on Line 2, which is  
7 12.7 million.

8 Q Thank you. This is very helpful. And, actually,  
9 this is -- I find this very helpful, at least for  
10 me. I hope I'm not wasting your time. But I  
11 find that very helpful. Thank you.

12 A (Chen) Thank you.

13 Q And, so, you know, looking through Exhibit 2, and  
14 I'm going to try to maybe abbreviate this  
15 question and see how that goes. Is that, if I  
16 look at Bates Page 002, in Exhibit 2, the top  
17 column includes -- says "Actual" for all the  
18 months, is that correct?

19 A (Chen) Correct.

20 Q And, then, if we turn the page, to Bates Page  
21 003, I see, at the top, just kind of looking at  
22 the top, "Estimate", "Estimate", "Estimate",  
23 basically, "Estimate" from January 2023, and,  
24 then, in August of 2023, it begins as a

[WITNESS PANEL: Chen|Leménager]

1 "Forecast".

2 Can you kind of please explain that  
3 distinction, you know, and what an "estimate"  
4 means versus what a "forecast" means?

5 A (Leménager) Sure. So, an "estimate" is the  
6 savings that we booked preliminarily as part of  
7 the programs. However, we do not finalize our  
8 program savings until the following year, when we  
9 file our Performance Incentive filing. So, those  
10 are estimates, where the month has already  
11 passed, the results are in. However, they are  
12 not have been -- they have not been internally  
13 audited or scrubbed at this point. We do that  
14 after the year-end, to ensure that our numbers  
15 reflect what actually happened within the  
16 calendar year.

17 Whereas, a "forecast", those numbers  
18 are projections for what will be done in a future  
19 month.

20 Q So, is it fair to say that, for 2023, as is shown  
21 in Exhibit 2, on -- I think it's also reflected  
22 on Bates Page 003. And, then, Bates Page 006,  
23 you have several months as "estimates" and  
24 several months as "forecasts"?

[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) Correct.

2 Q And, then, for 2024, the Bates pages that deal  
3 with 2024, they're all forecasts, is that  
4 correct?

5 A (Leménager) Yes.

6 Q And, then, obviously, 2022 is all actual numbers?

7 A (Leménager) Correct.

8 Q So, asking this a slightly different way, when do  
9 things that happened in the past, your actual --  
10 or, when does an estimate become an actual?

11 A (Leménager) We file our Performance Incentive  
12 filings on or by June 1st, annually, of the  
13 subsequent year. So, 2022, final numbers are  
14 provided on or by June 1st of 2023. And 2023's  
15 actuals will be filed on or by June 1st, 2024,  
16 and so on.

17 Q And that's when they will become actual numbers,  
18 correct?

19 A (Leménager) Correct. Yes.

20 Q And, in determining kind of -- so, all of these  
21 numbers are basically trying to get at when EE --  
22 when the Company is believing that EE savings --  
23 that EE savings are going to be claimed?

24 A (Leménager) The preliminary numbers that are in

[WITNESS PANEL: Chen|Leménager]

1           there as estimates are representative of what has  
2           been booked, --

3   Q       Uh-huh.

4   A       (Leménager) -- and a pretty good estimate, there  
5           may be true-ups that happen as part of our  
6           internal audit process in the following year,  
7           before we file actuals. But they are a pretty  
8           good barometer for where the savings will wind up  
9           when we file our actuals.

10   Q       And, in coming to these numbers, are you applying  
11           the half-year convention?

12   A       (Leménager) For the actuals, no.

13   Q       No.

14   A       (Leménager) For our estimates, yes. We file for  
15           forward-looking, as part of our forecasting, we  
16           do use the "half-year" convention.

17   Q       So, the half-year is for the estimates and the  
18           forecasts?

19   A       (Leménager) The forecasts. The estimates are  
20           based on actual results that have been booked.  
21           And we utilize the amounts within that month, and  
22           I believe, I don't have the page number on hand,  
23           but, as part of the LBR Working Group, we utilize  
24           the actual months that the project was paid,

[WITNESS PANEL: Chen|Leménager]

1           because it's, on average, a couple months after  
2           the project has actually been in place.

3   Q       Is it about two months after?

4   A       (Leménager) Yes.

5   Q       Okay. And you apply the half-year convention to  
6           forecasts, because you don't know when that  
7           measure will be installed, correct?

8   A       (Leménager) Exactly. We don't know what day of  
9           the month measures will be installed. So, by  
10          averaging it, we assume an equal distribution  
11          throughout the month.

12   Q       You mentioned an "internal audit process". Can  
13          you please expand on that further?

14   A       (Leménager) Sure. So, after the year closes, we  
15          internally look back and make sure that the  
16          savings and money match. That there are no  
17          anomalies, so to speak. That every job we're  
18          claiming savings for was appropriately paid for,  
19          and/or accrued within the given year. So, we  
20          also go and check that savings on custom projects  
21          look right. If there's anything that sticks out  
22          as being too high or too low, or if the  
23          quantities are not accurate, we will adjust to  
24          correct for those.

{DE 23-080}   {12-14-23}



[WITNESS PANEL: Chen|Leménager]

1                   We also double-check that the BC model  
2                   has appropriately incorporated any evaluation  
3                   impacts. And we make sure that the number of  
4                   units weatherized have been correctly captured  
5                   within our weatherization programs.

6    Q    Thank you. And, kind of also, on Exhibit 2,  
7           specifically looking at Bates Page 004 and 007,  
8           for the year 2024, how is the Company forecasting  
9           what measures -- what energy efficiency measures  
10          will be installed in 2024?

11   A    (Leménager) We are basing that off of the plan  
12          from our benefit-cost model, which generated an  
13          estimated amount of savings that the programs  
14          will achieve, and straight-lining the forecast  
15          across twelve months.

16   Q    Thank you. And, now, turning to the LBR  
17          calculation, we heard some on direct. I went  
18          back to kind of a prior order, and I just want to  
19          make sure that this formula still -- kind of this  
20          basic formula still applies in determining --  
21          determining this. Specifically, I looked at  
22          Order Number 25,932, issued on August 2nd, 2016,  
23          Page 26. "Total Lost Revenues equal Projected  
24          Cumulative Electric Savings times a Utility's

[WITNESS PANEL: Chen|Leménager]

1       Distribution Rate." Does this formula still  
2       apply?

3   A     (Leménager) Technically, yes. However, as part  
4       of the LBR Working Group, the distribution rate  
5       has changed that applies for the C&I sector.

6               But, at a high level, this formula is  
7       correct.

8   Q     Thank you. And, if the Commission -- and the  
9       Working Group Report I believe is part of  
10      Exhibit 3, correct?

11   A     (Leménager) Yes.

12   Q     Thank you. And kind of also going through  
13      Exhibit 2, there seems to be three sections for  
14      C&I. Is that because there's three different  
15      rate classes for C&I?

16   A     (Leménager) I believe what we're, just to try and  
17      direct attention, are we discussing Bates  
18      Page 004, Lines 11, 16, and 21?

19   Q     I'm actually looking at a few different pages.  
20      I'm looking at 2, 3, 4, and there's -- and  
21      it's -- I think the line, like it starts at Line,  
22      you know, yes, like Line 10, Line 13. It's like  
23      there's three little groupings of monthly C&I  
24      savings.

[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) Sure. So, those sections represent  
2 prior to the LBR Working Group and after the LBR  
3 Working Group. So, you'll see the first section  
4 is, in parenthetical, "2018", prior to the LBR  
5 Working Group, the average distribution rate used  
6 for C&I was a combination of the kWH rate and the  
7 kW rate.

8 And, then, as part of the LBR Working  
9 Group, the determination was made to split out  
10 kWH savings and kW savings, and apply the  
11 respective rates for those portions. So, the  
12 bottom two sections are that breakout of kWH and  
13 kW.

14 Q Okay. Thank you. Thank you. So, turning to  
15 Bates Page 007, of Exhibit 2 -- oh, I'm sorry,  
16 Bates Page 008, this is for the period of  
17 January 1st, 2022, through December 31st, 2022,  
18 correct?

19 A (Leménager) Yes.

20 Q And this is determining the average kWH and kW  
21 rates, correct?

22 A (Leménager) Yes.

23 Q Why is there no corresponding table for 2023 or  
24 2024?

[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) These are the rates to apply for  
2 future LBR. So, the rates are based on the most  
3 recent completed calendar year, consistent with  
4 prior practice. So, we take the average rate  
5 that was actually in effect for the prior year,  
6 and have that be applicable for the rate. And it  
7 will be updated, if and when next year comes  
8 around to do it again.

9 Q So, you're applying these rates to 2023 and 2024,  
10 and also in 2022?

11 A (Leménager) These are the rates to apply for 2024  
12 LBR. I'm double-checking on 2023.

13 Q If I --

14 A (Leménager) Yes.

15 Q Because they're also being applied in 2023,  
16 correct?

17 A (Leménager) Yes.

18 Q But they're also being reflected on Bates Page  
19 002 for 2022, correct?

20 A (Chen) Correct.

21 A (Leménager) Yes.

22 Q Can you maybe just explain that a little bit  
23 more?

24 *[Witness Chen and Witness Leménager*

[WITNESS PANEL: Chen|Leménager]

1                               *conferring.]*

2   **BY THE WITNESS:**

3   A       (Chen) So, we are trying to -- sorry, just give  
4           us a second. We are trying to pull out the 2022  
5           Performance Incentive document.

6   BY MS. LYNCH:

7   Q       Sure, sure. Take your time. Thank you.

8                               *[Short pause.]*

9   **BY THE WITNESS:**

10   A       (Leménager) I apologize, having trouble  
11           connecting and staying connected to the internet.  
12           But I've got it. Here we go.

13                            So, those are, in fact, the rates that  
14           were used within 2022 for the actuals. So, the  
15           true-up of what we did for the actuals that we  
16           had.

17                            So, I'm looking at our 2022 Performance  
18           Incentive filing, and we had the rates that  
19           you're seeing in effect.

20   BY MS. LYNCH:

21   Q       I guess I'm just -- I'm just a little -- but, at  
22           least for this filing, you're using the prior  
23           calendar year. So, in 2022, shouldn't you have  
24           used the prior calendar year figure?

{DE 23-080}   {12-14-23}

[WITNESS PANEL: Chen|Leménager]

- 1 A (Leménager) Oh, yes. Sorry. I'm trying to --  
2 Yes. So, the following pages in the attachment,  
3 so, if I go -- we're looking at Page 008,  
4 Pages 9 -- sorry, Pages 10 and 11 provide the  
5 support for those calculations, and lay out the  
6 periods for which the rates and the billing  
7 determinants were calculated. And, with that  
8 being the last full twelve months calendar year,  
9 those amounts are what's pulled into our  
10 Performance Incentive filing. So, when we had  
11 the 2022 report filed, we were able to use those  
12 determinants to update the rate.
- 13 Q So, on Bates Page 010, because that's where  
14 you're directing us, can you help us find that on  
15 Bates Page 010 a little bit better please?
- 16 A (Leménager) Sure. So, Page 8 is taking the  
17 average from those amounts on Page 10 and  
18 Page 11. So, the numbers that you're seeing  
19 within the residential, for example, going across  
20 the columns, if you were to take an average of  
21 the residential rates, and the quantities for  
22 what was billed, you'll be able to arrive at the  
23 average rate across that period.
- 24 Q So, when you get the rates for 2023, will you

[WITNESS PANEL: Chen|Leménager]

1       then apply those for the proposed LBR  
2       calculation?

3   A     (Leménager) Correct. It would be updated as --  
4       as time goes on, we do update it annually to  
5       reflect the current rates that are in effect.

6   Q     Okay. Thank you. And staying on Bates Page 008,  
7       can you further explain the difference between  
8       Column (7) and Column (8)?

9   A     (Leménager) Yes. Column (8), starting at the far  
10       right, for Residential, that's the average  
11       distribution rate. There are no kW charges. So,  
12       there was no change as part of the LBR Working  
13       Group to how Residential LBR should be  
14       calculated. Column (8) for C&I represents the  
15       average distribution rate, inclusive of both the  
16       volumetric charge, as well as the kW portion of  
17       it. And, then, Columns (6) and (7) represent  
18       that breakout as part of the LBR Working Group,  
19       to separate the kWH rate and the kW rates, to  
20       then be applied separately to both the kWH  
21       savings and the kW savings.

22   Q     Thank you. And this was discussed in the  
23       testimony, but I was hoping you could explain it  
24       a little bit now. Specifically, Exhibit 1, Bates

[WITNESS PANEL: Chen|Leménager]

1 Page 009, beginning about Line 18, can you  
2 explain why measures installed before and after  
3 January 1st, 2019, are treated differently?

4 A (Chen) Just flipping to that page.

5 A (Leménager) My understanding is that's when the  
6 LBR Working Group, the recommendations took  
7 effect. So, that would represent when the rates  
8 for C&I would be different from the combined  
9 distribution rate.

10 Q Isn't that distinction also due to, because of  
11 the -- you know, that, in the last rate case, in  
12 the Settlement Agreement, that measures installed  
13 prior to the 28 [2018?] test year were  
14 incorporated into the cost of service and revenue  
15 requirement, and therefore not included in the  
16 calculation of the LBR savings?

17 A (Leménager) Correct. So, as far part of the rate  
18 case as well, savings prior to the test year were  
19 removed and savings that were recognized within  
20 the test year were removed from the LBR  
21 calculation.

22 Q But you're still capturing some of those savings  
23 that are still ongoing, correct, that even if  
24 they were installed prior to January 1st, 2019?



[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) The 2018 residual savings. So, the  
2 annualized amount of savings that were not  
3 recognized within the test year are still within  
4 the LBR calculation. However, LBR savings that  
5 were recognized within the test year have been  
6 removed from the calculation.

7 Q Thank you. And can you also discuss what  
8 "measure retirements" are? There are -- I  
9 know -- I believe they're accounted for in  
10 several places in Exhibit 2, but they were also  
11 discussed in Exhibit 1, Bates Page 010.

12 A (Leménager) Yes. So, every measure that we  
13 install has a predetermined measure life, where  
14 the measure will be above code, according to our  
15 EM&V results. Every month, when we record our  
16 savings, we have an average -- an average measure  
17 life for everything that was installed within  
18 that month for each individual program, and that  
19 represents how long lost base revenue should be  
20 collected for that portion of savings.

21 Once that measure life has lapsed,  
22 those savings are removed from the lost base  
23 revenue calculation.

24 Q And what governs how these retirements are

[WITNESS PANEL: Chen|Leménager]

1           calculated?

2   A       (Leménager) The measure life, as well as the  
3           savings. So, when -- just to really simplify it,  
4           if there's a one-year measure life on an entire  
5           bucket of savings that is in the calculation, one  
6           year after that point in time, those savings are  
7           removed from the calculation.

8   Q       And, sure, I'll rephrase my question. Is there a  
9           prior Commission order that governs how you do  
10          this or is it the LBR Working Group Report?

11   A       (Leménager) I believe it was the LBR Working  
12          Group Report that determined to remove them.

13                   And, if it's not there, it would be  
14          Order 25,932.

15   Q       So, back to Exhibit 2, Bates Pages 002, 003,  
16           and 004, this, on Line 6, those shows the retired  
17           measures, is that correct?

18   A       (Leménager) Sorry, catching up. Can you repeat  
19          the reference?

20   Q       Sure. Going on Exhibit 2, Bates Pages 002, 003,  
21           004, Line 6 shows the retired measures, is that  
22           correct?

23   A       (Leménager) On Page 2, Line 6, shows the retired  
24          Residential measures, yes.

[WITNESS PANEL: Chen|Leménager]

1 Q So, kind of just going through these three pages,  
2 on Bates Page 002, Line 6, there's numbers pretty  
3 much for every month, except for November '22 and  
4 December '22, correct?

5 A (Leménager) Correct.

6 Q But, then, in 2023, there's only a number for  
7 September 2023?

8 A (Leménager) Correct.

9 Q And, then, going to 2024, there's only numbers in  
10 the months of May, June, October, and December,  
11 correct?

12 A (Leménager) Correct.

13 Q Can you --

14 A (Leménager) And -- sorry. And November, for C&I,  
15 as well.

16 Q Oh, yes. Thank you.

17 A (Leménager) Yes.

18 Q Can you explain why it's different between the  
19 years?

20 A (Leménager) Yes. So, the Company offered what's  
21 known as "Home Energy Reports" up through the  
22 year 2019. Those measures had an associated  
23 measure life of around two to three years. So,  
24 the 2022 savings are showing those consistent

[WITNESS PANEL: Chen|Leménager]

1 drop-offs of the retirements of those Home Energy  
2 Reports.

3 However, in 2020 and beyond, the  
4 Company ceased to offer Home Energy Reports. So,  
5 there aren't those consistent retirements every  
6 single months for those.

7 However, other measures that have been  
8 installed, for example, in September of 2023,  
9 there were some home -- there were the ENERGY  
10 STAR products from March of 2018 that retired.  
11 So, those savings that were not recognized within  
12 the test year of the Company's last rate case,  
13 those residual savings were retired in September  
14 of this year.

15 And, then, in 2024, there are other  
16 buckets of savings that their -- their average  
17 measure lives from when they were installed are  
18 expiring, meaning they will be removed from the  
19 LBR calculation.

20 Q Thank you. And, as part of Docket DE 23-068,  
21 Eversource is no longer offering -- it's no  
22 longer part of the NHSaves program, the EE  
23 measures for screw-in light bulbs, is that  
24 correct? That's no longer part of the portfolio?

{DE 23-080} {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) Correct. As part of the 2024 to 2026  
2 Plan, the NHSaves programs are not incentivizing  
3 screw-in bulbs as part of the ENERGY STAR  
4 Products Programs.

5 Q So, after those savings retire, they will no  
6 longer be part of the LBR calculation, is that  
7 correct?

8 A (Leménager) The savings calculated in the LBR  
9 calculation are a sum of the measures within each  
10 program. So, for example, in the ENERGY STAR  
11 Products Program, in prior years, there were  
12 light bulbs, as well as refrigerators,  
13 dishwashers, dryers, *et cetera*, all combined in  
14 there. So, what was installed in a given month  
15 was then aggregated, and the average measure life  
16 from that aggregate amount is what is applicable  
17 to the LBR rate.

18 Q So, you will still be -- you're still collecting  
19 the savings, though, for this proposed LBR for  
20 the screw-in light bulbs, because they were part  
21 of the plan in prior years, correct?

22 A (Leménager) We're collecting the average savings  
23 for the average measure life. It's hard to  
24 distinguish which specific measures we are or are

{DE 23-080} {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1 not specifically claiming for. So, we're  
2 collecting the appropriate amount, if you were to  
3 sum everything together into one bucket, if you  
4 will.

5 Q Okay. So, that's helpful. But, moving forward,  
6 it will no longer be offered, so you won't -- in  
7 future dockets, or a future LBR proceeding --  
8 well, if you have future LBR proceedings, you  
9 won't be recovering those savings, because  
10 they're no longer going to be offered this year?

11 A (Leménager) The LBR savings for ENERGY STAR  
12 products going forward would not include screw-in  
13 light bulbs. It would include whatever measures  
14 are remaining or introduced within the ENERGY  
15 STAR Products Program.

16 Q I just have a final few questions. Is the LBR  
17 charge in Eversource's tariff?

18 A (Leménager) No. The SBC rate is in the tariff,  
19 and it includes all components of it, which would  
20 include, in part, the LBR portion.

21 Q If Eversource's consumers wanted more information  
22 about what LBR is or what the SBC included, where  
23 should they -- what should they refer to?

24 A (Chen) We can -- we can go back and have the

[WITNESS PANEL: Chen|Leménager]

1 Rates team --

2 [Court reporter interruption.]

3 **CONTINUED BY THE WITNESS:**

4 A (Chen) We can go back and have the team put  
5 together the breakdown and share that with the  
6 customers.

7 MS. LYNCH: Thank you. No further  
8 questions.

9 CHAIRMAN GOLDNER: Thank you. We'll  
10 turn now to Commissioner questions, beginning  
11 with Commissioner Simpson.

12 CMSR. SIMPSON: Thank you, Mr.  
13 Chairman. A very thorough cross-examination,  
14 Attorney Lynch, thank you. So, cut off many of  
15 my questions.

16 BY CMSR. SIMPSON:

17 Q So, I'll just ask you about the rate case coming  
18 up that you mentioned. So, we can expect  
19 something sometime next year, based on a '23 test  
20 year, is that fair to say? Putting you on the  
21 spot.

22 A (Chen) We are still in early stages.

23 Q Okay.

24 A (Chen) But we are expecting to, we are currently

{DE 23-080} {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1           working on the -- under the expectation to file  
2           something next year, assuming that would be  
3           something like calendar year 2023 as the test  
4           year. But that's still not yet finalized or  
5           determined.

6   Q       Okay. Thank you.

7   A       (Chen) That's a good expectation or assumption.

8   Q       Okay. And you expect to have revenue decoupling  
9           as a proposal?

10   A       (Chen) So, as part -- yes. The Company expects  
11           to propose decoupling mechanism or an alternative  
12           to decoupling mechanism. And that's also as part  
13           of the directive from the last rate case  
14           settlement agreement.

15   Q       Okay. And, presumably, you're looking at the  
16           other New Hampshire utilities' revenue decoupling  
17           mechanisms as you develop your own proposal?

18   A       (Chen) Yes. We will -- we are currently  
19           reviewing all the different decoupling or  
20           alternative decoupling mechanisms, and evaluating  
21           all different options.

22                   CMSR. SIMPSON: Very good. Thank you.  
23           I don't have any further questions for either of  
24           you. Appreciate you being here today.



[WITNESS PANEL: Chen|Leménager]

1 WITNESS CHEN: Thank you.

2 CHAIRMAN GOLDNER: Okay. We'll turn to  
3 Commissioner Chattopadhyay.

4 CMSR. CHATTOPADHYAY: Good afternoon.

5 BY CMSR. CHATTOPADHYAY:

6 Q So, I haven't thought through how this will play  
7 out. But, if you come back with a rate case next  
8 year, and you have an LBR in place, but then you  
9 are requesting a decoupling mechanism to be put  
10 in place, there might be need to adjust what has  
11 happened before, like, you know, because LBR may  
12 be in place for a time when you are requesting  
13 decoupling. Can that happen?

14 A (Chen) So, just to -- and appreciate the  
15 question. So, just to clarify a little bit. So,  
16 the Company is currently recovering LBR because  
17 we do not have decoupling in place.

18 Q Agreed.

19 A (Chen) And, then, the expectation to propose a  
20 decoupling mechanism, or an alternative  
21 decoupling mechanism, will need to cover the full  
22 lost base revenue for the Company to potentially  
23 discontinue the current existing LBR rate that we  
24 are charging the customers.

[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) Yes. To put another way, the LBR  
2 rate would remain in effect until --

3 Q Until.

4 A (Leménager) -- something replaces it.

5 Q Okay. Okay. The LBR Working Group Report, is  
6 that the one that's like from 2018?

7 A (Leménager) Correct.

8 Q And do you -- there hasn't been any other attempt  
9 to go back and check whether, you know, the  
10 numbers should be updated or not?

11 A (Leménager) The numbers are updated. The Working  
12 Group set the methodology for the calculation.

13 Q So, what about the methodology itself, like,  
14 has -- so, you haven't really looked at whether  
15 that methodology is the right methodology?

16 I'm just asking, because I'm trying to  
17 understand. So, 2018 was the year where you had  
18 the report, and now you're simply using that same  
19 methodology going forward?

20 A (Leménager) Correct, we are.

21 Q Okay. And there has been no attempt to see  
22 whether that methodology is right or wrong?

23 I mean, you're not required to. I'm  
24 just asking if you do it on your own, looking at

{DE 23-080} {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1           whether the methodology is working or not?

2   A       (Leménager) Our understanding is that the  
3           methodology is working.

4   Q       Yes.

5   A       (Leménager) Yes.

6   Q       Okay. You had talked about "retirements". Do  
7           you have like a process where you determine  
8           whether, you know, something has definitely  
9           retired or is it again based on projections?

10   A       (Leménager) It's based on actuals. And it's a  
11           manual process. But we do go and look at the  
12           measures that were installed, for every single  
13           program, for every single month, and calculate  
14           the exact date that those savings are set to  
15           retire. And they are removed from the entirety  
16           of that month in which the savings are expired or  
17           retired.

18   Q       So, you sort of do it regularly, you will check?

19   A       (Leménager) Correct. The process, again, it's a  
20           manual process, but, yes. We go and check to  
21           make sure, when the savings are expiring, they  
22           are removed from the calculation.

23   Q       You also mentioned that you check for whether the  
24           estimated savings are actually happening or not.

{DE 23-080}   {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1 I'm not sure you couched it the way I'm couching  
2 it. But that -- and, then, if you see that the  
3 savings are not as much as what was reported,  
4 what do you do?

5 A (Leménager) We will adjust the amount. So, our  
6 quarterly reports that get filed in the energy  
7 efficiency dockets, the numbers and metrics in  
8 those are preliminary. And they typically vary,  
9 usually not by a lot, but they typically vary  
10 from what is filed in our Performance Incentive  
11 filing in June. So, there are adjustments that  
12 are made to correct for, as I noted, any  
13 anomalies or participant counts for  
14 weatherization or units within a custom project  
15 of what was installed, just really taking the  
16 time and making sure that what we're reporting on  
17 for the actual numbers are, in fact, what we get.

18 Q Do you have any sense of what that deviation is  
19 usually?

20 A (Leménager) Not off the top of my head, but I can  
21 certainly get that for you.

22 Q Okay. What would be a complete year that you  
23 have the actual data for? 2022?

24 A (Leménager) Yes. I have a 2022 Performance

[WITNESS PANEL: Chen|Leménager]

1 Incentive in front of me. And I can try and pull  
2 up, as quick as I can, the fourth quarter report.  
3 Q I would appreciate it. Thank you. So, I'm more  
4 interested in also what the sign is of the  
5 deviation, and whether that is happening sort of  
6 regularly. Meaning, if you go back to 2021, a  
7 similar deviation happened.

8 *[Short pause.]*

9 **BY THE WITNESS:**

10 A (Leménager) I'm looking as we speak, the savings  
11 for Eversource, at least for 2022, were already  
12 reviewed and accurate as of the Q4. I'm  
13 double-checking spend, as well as MMBtu right  
14 now.

15 The spend was like a couple percentage  
16 points, between two and three percentage points,  
17 off the spending.

18 BY CMSR. CHATTOPADHYAY:

19 Q And no -- higher, right, or lower?

20 A (Leménager) The forecasted spending was two to  
21 three percentage points than the actual.

22 Q And can you tell me what happened in 2021, if you  
23 have it handy?

24 A (Leménager) I can pull it up. I don't have it.

{DE 23-080} {12-14-23}

[WITNESS PANEL: Chen|Leménager]

1 Q Okay.

2 A (Leménager) But would you like me to?

3 Q Yes. If you can do it, you know, in the same.

4 So, take your time, but, you know.

5 *[Short pause.]*

6 **BY THE WITNESS:**

7 A (Leménager) For 2021, Eversource's results  
8 comply, they match with what was in the  
9 Performance Incentive filing. So, they were  
10 already scrubbed for Eversource.

11 BY CMSR. CHATTOPADHYAY:

12 Q Okay. So, there's no deviation?

13 A (Leménager) Correct.

14 Q When that check is undertaken, it's an internal,  
15 and I'm using the word "audit", or is it like you  
16 have somebody from outside coming and checking  
17 what actually happened?

18 A (Leménager) Internal staff performs that.

19 Q That's happening every, like, continuously?

20 A (Leménager) If there are any anomalies that  
21 really pop up during the year, --

22 Q Yes.

23 A (Leménager) -- we will look into it and correct  
24 it. However, we do, after the year ends, we do

[WITNESS PANEL: Chen|Leménager]

1 the scrub of everything that happened in the  
2 prior calendar year. So, in a couple weeks,  
3 we'll be reviewing 2023, --

4 Q Okay.

5 A (Leménager) -- the results that were booked, to  
6 make sure that they're accurate.

7 Q One last question. If, I'm not sure who might  
8 know about this, but you were talking about  
9 "decoupling", and next rate case you -- I think  
10 you're, per the settlement, and you're expected  
11 to file a decoupling mechanism. I am curious  
12 whether Eversource in other states, does it have  
13 decoupling in the other states?

14 A (Chen) Eversource has -- currently has decoupling  
15 in Massachusetts, and I believe Connecticut as  
16 well.

17 Q Okay. And they have it since when?

18 A (Chen) I do not know the exact timing on top of  
19 my head, but I can --

20 Q Is it before the COVID or after COVID?

21 A (Leménager) Before.

22 Q Before COVID.

23 A (Leménager) I've been with the Company for nine  
24 years in March. And Massachusetts and

[WITNESS PANEL: Chen|Leménager]

1 Connecticut have been decoupled for at least nine  
2 years.

3 CMSR. CHATTOPADHYAY: Okay. Thank you.  
4 That's all I have.

5 WITNESS LEMENAGER: Yes.

6 CHAIRMAN GOLDNER: Thank you. I have a  
7 few questions.

8 So, I'll begin with a request for  
9 closing with Attorney Chiavara. In your  
10 Petition, there was the assertion that the  
11 Company is entitled to what was phrased as  
12 "automatic approval" via "RSA 374-F:3,  
13 VI-a(d)(5)", even though the Commission issued  
14 its order by November 30th.

15 So, if you could -- if you could  
16 respond to that, Attorney Chiavara, in closing,  
17 that would be very helpful. Thank you.

18 MS. CHIAVARA: Of course.

19 CHAIRMAN GOLDNER: Okay. Moving on to  
20 the witnesses.

21 BY CHAIRMAN GOLDNER:

22 Q In docket 19-057, in the OCA's closing on  
23 October 29th, 2020, at 138-139, the OCA said "So,  
24 what we'll get in the next rate case is symmetry,



[WITNESS PANEL: Chen|Leménager]

1 and not the upward ratchet we have now, but a  
2 mechanism that in appropriate circumstances can  
3 and will [be used] actually to adjust rates down.  
4 When this rate case began, I was prepared to  
5 insist on symmetrical decoupling. But, then, as  
6 everyone knows, the pandemic happened. It's not  
7 good for ratepayers to implement decoupling  
8 during a pandemic, and that's the reason it's not  
9 here in this settlement."

10 Can you just, either witness, can you  
11 just touch on it? Is it your intention to  
12 propose a symmetrical decoupling, meaning an  
13 upward and downward ratchet? Can you talk a  
14 little bit about what the Company is working on,  
15 and when that would be available to the  
16 Commission?

17 A (Leménager) I won't comment on the OCA's opinion.  
18 However, the LBR rate is accounting for only  
19 revenues that the Company is otherwise not  
20 recovering and is losing from the distribution of  
21 the energy efficiency programs.

22 Whereas, a full decoupling mechanism  
23 typically covers all aspects, positively or  
24 negatively, such as weather or sales changes, as

[WITNESS PANEL: Chen|Leménager]

1 well as energy efficiency impacts, and other  
2 influences. So, --

3 Q And how would -- I'm sorry. How would that be  
4 different than now? Because there's storm  
5 management cases, and that it seems like all of  
6 the ups and downs are already adjusted. I'm  
7 wondering what the Company sees as the benefit of  
8 decoupling? As you've said, you've implemented  
9 in other states, you have a lot of experience  
10 with it. I'm unclear, though, as to why the  
11 Company views that as a benefit? I'm talking  
12 about decoupling.

13 A (Chen) So, decoupling, so, from my prior  
14 employer, I actually worked on decoupling a  
15 little bit for other nearby states. So, the  
16 decoupling purpose is really trying to, one,  
17 recognize the fact that we -- the utility  
18 companies is pushing the energy efficiency, quite  
19 simple. And, with that efforts, they are --  
20 excuse me -- they are losing base revenue as a  
21 result.

22 So, initiatives, such as energy  
23 efficiency implementation, is really -- so, in  
24 order to compensate the Company fairly with the

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[WITNESS PANEL: Chen|Leménager]

1 implementation of energy efficiency initiatives.  
2 So, the Company believes that that's really  
3 something the Company would like to push forward.

4 And, then, also, to your point,  
5 Chairman, the symmetrical decoupling is really  
6 trying to recognize both ways. So, in the event  
7 that the Company is actually having more sales  
8 than projected, we are actually refunding back  
9 the over-recovery to the customers. So, this is  
10 really trying to mitigate the impact to the  
11 Company by providing energy efficiency  
12 initiatives, which is being recognized and  
13 adopted in many nearby states.

14 Q Okay. Thank you. I'll come back to that in a  
15 bit. I did want to follow up, though, you had  
16 mentioned, I think in testimony earlier, you  
17 referred to the Company's proposal as "decoupling  
18 or" -- I think you said "alternate decoupling".  
19 What does that mean? What's "decoupling" versus  
20 "alternate decoupling"?

21 A (Chen) So, "alternate decoupling", quite simple,  
22 can be performance-based revenue, which I believe  
23 the Commission has probably have heard about it  
24 or is familiar with it. So, that would be one

[WITNESS PANEL: Chen|Leménager]

1 example. So, the Company is currently evaluating  
2 all different options.

3 Q And, so, in the Company's filing, and I'm not  
4 trying to upstage the filing when it comes, but  
5 is one option that the Company is considering is  
6 for performance-based ratemaking to replace  
7 decoupling and LBR, or would decoupling and  
8 performance-based ratemaking be proposed  
9 together?

10 A (Chen) It's -- I appreciate the question. I  
11 think this is really too early for me to really  
12 say one way or another.

13 Q Maybe I'll ask it differently. In other  
14 jurisdictions, what proposals does the Company  
15 have on the table, in terms of rate cases, or  
16 what is the Company already doing, relative to  
17 performance-based ratemaking and decoupling? Are  
18 they together or are they -- or, are they  
19 mutually exclusive?

20 A (Chen) From what I have seen in the past, usually  
21 a performance-based revenue mechanism would be in  
22 place -- would replace the decoupling mechanism.  
23 That's usually what -- from what the cases that I  
24 have seen so far. But that doesn't mean that the

[WITNESS PANEL: Chen|Leménager]

1 Company is going to absolutely propose such.

2 Q I understand. Thank you. No, that's very  
3 helpful. That was exactly what I was looking  
4 for. *Caveat emptor*, for Attorney Chiavara, is in  
5 place. So, we're all set.

6 Okay. Very helpful. Thank you for  
7 that explanation.

8 So, I just want to make sure I  
9 understand what's happening here. So, I'm on  
10 Bates -- Exhibit 2, Bates Page 009. And I'm just  
11 using the numbers we've been talking about all  
12 day, which is 625 kilowatt-hours per month for a  
13 residential ratepayer, and a rate of \$0.00178 per  
14 kilowatt-hour. We multiply those together, we  
15 multiply those times 12, so we can annualize it.  
16 And, so, ratepayers are paying about 13, on  
17 average, about \$13 a month [year?] roughly for  
18 lost base revenue. And I'll give you a chance to  
19 check my math, but I think it's about a dollar a  
20 month, and about \$13 a year. Is that about  
21 right? Approximately, --

22 A (Chen) Yes.

23 Q -- 13.25, I think?

24 [Court reporter interruption.]

[WITNESS PANEL: Chen|Leménager]

1 CHAIRMAN GOLDNER: She said "Yes.  
2 Approximately."

3 **BY THE WITNESS:**

4 A (Chen) Yes. Approximately.

5 BY CHAIRMAN GOLDNER:

6 Q So, and I just want to make sure I understand.  
7 So, I think that the explanation for lost base  
8 revenue is "to make utilities whole", I think is  
9 what you said at the outset, for the energy  
10 efficiency savings. So, making the Company  
11 whole. But the ratepayers paid for the energy  
12 efficiency savings in the SBC. So, I just want  
13 to give the Company a chance to respond to that.  
14 Because the way I'm thinking of it is, that the  
15 ratepayers pay for the energy efficiency savings,  
16 and then also pay to make the Company whole. So,  
17 the ratepayers pay for everything. Is that right  
18 or am I missing the point?

19 A (Leménager) The impact of receiving the savings  
20 is a lower bill for those customers that  
21 participate, as well as slightly reduced  
22 savings -- or, slightly reduced usage on the  
23 system as a whole. So, those future benefits  
24 flow to both participants, as well as

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[WITNESS PANEL: Chen|Leménager]

1 non-participants, and aren't necessarily picked  
2 up in these illustrations of the current rates.

3 Q Okay. Okay, thank you. Okay. And, then, I also  
4 want to go back to the calculation of the LBR.  
5 And Attorney Lynch did an excellent job of  
6 framing it, and that was very helpful. That will  
7 save a number of questions from me. But --

8 CHAIRMAN GOLDNER: And this might be a  
9 helpful table, Attorney Chiavara, to get maybe in  
10 a record request or something, just so the  
11 Commission has the data, depending on what we  
12 find here.

13 BY CHAIRMAN GOLDNER:

14 Q But I think what you said earlier was that the  
15 sort of starting point for the lost base revenue  
16 is the 2018 test year, and there was sort of a  
17 basis, there were some millions of dollars, I'm  
18 getting about 6 or 7 million, back of the  
19 envelope, but there was something there. And,  
20 then, each year the Company added to that, until  
21 we get to 2024 and the 14.3 million, net of the  
22 ins and outs.

23 Is that kind of fundamentally what  
24 happened? There was kind of a baseline in 2018.

[WITNESS PANEL: Chen|Leménager]

1 And, then, there were -- there was an addition to  
2 that in each and every year, up until this year?  
3 It's cumulative?

4 A (Leménager) Subject to check the specific  
5 numbers. But, fundamentally, you are correct on  
6 the rate case resetting lost base revenue, and  
7 zeroing out what was in the rate prior to the  
8 test year, or what has occurred throughout the  
9 test year.

10 Q But the test year, the starting point wasn't  
11 zero, the starting point was some value, right?  
12 It was 6, 7, 8 million, subject to check? It was  
13 a non-zero number, correct?

14 A (Leménager) What was accrued in 2017 was removed  
15 from the lost base revenue calculation. And the  
16 lost base revenue was introduced in 2017. So,  
17 those savings are no longer in the LBR rate.  
18 They have been reset as part of that rate case in  
19 2019.

20 Q Okay. And I might still be confused. But could  
21 you produce, if asked by the Commission, the lost  
22 base revenue each year, beginning, and I think  
23 you said the first year was 2017, could you  
24 produce that table by year what lost base revenue



[WITNESS PANEL: Chen|Leménager]

1 would have been?

2 I just want to make sure I understand,  
3 because we have a phenomenon here that's very  
4 interesting. It's a cumulative number that --  
5 and, really, my follow-on question is this, I  
6 don't -- I actually don't understand why it's  
7 cumulative?

8 I understand the annual savings, and I  
9 understand why the Company would seek those  
10 annual savings. I don't understand why it's  
11 cumulative? So, each year, since 2017, the  
12 number gets larger and larger and larger, the  
13 Company keeps collecting an ever larger number.  
14 Does it ever get reset again? Does it get set  
15 with this Triennial Plan? What -- how does it  
16 work?

17 A (Leménager) So, the rate case would reset it.  
18 If, for whatever reason, lost base revenue were  
19 to continue into perpetuity, the next rate case  
20 would reset LBR, and we would start fresh, if you  
21 will.

22 And the reason why the savings are  
23 accounted for across multiple years is the --  
24 ties back to the measure life. So, for example,

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[WITNESS PANEL: Chen|Leménager]

1 an efficient fridge is going to provide savings  
2 beyond the baseline for a given number of years.  
3 So, that number of years is the amount of time  
4 that the lost base revenue will apply for.  
5 Because, if a customer went out and purchased a  
6 baseline model instead, the Company would be  
7 incurring increased sales of that amount for that  
8 many years, until the fridge either gets  
9 replaced, or the customer decides to purchase a  
10 new refrigerator.

11 Q And, so, in the upcoming rate case, when that's  
12 filed, would the lost base revenue or, in the  
13 case of decoupling, which gets integrated into --  
14 lost base revenue gets integrated into decoupling  
15 for purposes of description here, I guess, or  
16 illustration, would that -- so, let me rephrase  
17 the question.

18 So, if the Company was moving forward  
19 with lost base revenue for the next 20 years, and  
20 it filed a rate case using 2023 as a test year,  
21 and it reset the lost base revenue, would that  
22 reset to an integer value, a non-zero integer  
23 value, or would it -- or, I should say a non-zero  
24 value, or would it reset to zero?

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[WITNESS PANEL: Chen|Leménager]

1 A (Leménager) There's two options. So, depending  
2 on how the test year is handled, if an adjustment  
3 is made within the rate case, the lost base  
4 revenue could be reset to zero. If an adjustment  
5 is not made to account for the analyzed savings  
6 that were not collected in the test year, that  
7 reset would result in a lost base revenue  
8 starting at an integer.

9 Q I see. Okay. That is helpful. And, so, what  
10 we're really talking about here, in this  
11 proceeding, is the agreement that was already  
12 made, which was there was a value that was set in  
13 2017, it was cumulative. We're now up to 14  
14 million. When the Company refiles its -- or,  
15 files its rate case, then, you know, that  
16 discussion will happen then, in terms of  
17 decoupling, or performance-based ratemaking, or  
18 LBR, or some combination thereof. And that, in  
19 that settlement, or, in the case of a contested  
20 case with the Commission, that would be a  
21 question, would be "what to reset lost base  
22 revenue to?"

23 So, that's a discussion you would  
24 normally have, via settlement, or with the

[WITNESS PANEL: Chen|Leménager]

1 Commission in the rate case, is that fair?

2 A (Leménager) My understanding is, regardless of  
3 what replaces LBR, if anything, the lost base  
4 revenue from measures installed through the test  
5 year, and what was recognized in the test year,  
6 would reset regardless of the outcome of the rate  
7 case.

8 Q Reset to zero?

9 A (Leménager) Again, depending on if an adjustment  
10 is made within the rate case filing, or not. So,  
11 if an adjustment is made, to account for the  
12 annualized savings that were not picked up in the  
13 test year itself, but were from measures  
14 installed in the test year, it could be at zero,  
15 if that adjustment is included. Or, if the  
16 adjustment is not there, there could be an  
17 integer, which would represent those annualized  
18 savings not picked up in the test year, that  
19 strictly just that -- just that window, for those  
20 annualized savings that were not in the test  
21 year. Everything from priors years would be  
22 removed.

23 CHAIRMAN GOLDNER: Okay. Thank you.  
24 That's helpful.

[WITNESS PANEL: Chen|Leménager]

1                   And, then, Attorney Chiavara, for what  
2                   I guess we'll call "Exhibit 4", it would just be  
3                   helpful to file the history of lost base revenue.  
4                   And it sounds like it begins in 2017, and just  
5                   the annual -- the annual number. We have this  
6                   filing, obviously, with '22, '23, and '24. But  
7                   it would be nice just to have that one table, so  
8                   that everyone, including the Department, can look  
9                   at it and see the history in one place.

10                   Okay. Thank you. That was very  
11                   helpful.

12                   (**Exhibit 4** reserved)

13                   CHAIRMAN GOLDNER: I want to go back to  
14                   Order 25,932. And it's on Page 24, but I'll just  
15                   read it to you.

16                   So, the Commission Staff at that time  
17                   "recommended the adoption of an LRAM for an  
18                   initial three-year period, to be replaced  
19                   thereafter by a decoupling mechanism." And, of  
20                   course, now we sort of have a timing issue,  
21                   because three years have long since elapsed, the  
22                   Company has yet to file a rate case.

23                   So, I think it's fair to say that  
24                   three-year period has expired from the order.

[WITNESS PANEL: Chen|Leménager]

1 And I guess my question is, and maybe, Attorney  
2 Chiavara, you look prepared to answer, shouldn't  
3 the Company have proposed a decoupling mechanism  
4 by now, given the order, given that order?

5 MS. CHIAVARA: So, again, when we came  
6 in for our last rate case, in 19-057, part of the  
7 Settlement Agreement was "In the next rate case,  
8 that's when you'll propose your LBR" -- or, not  
9 your L -- well, "your LBR substitute", if you  
10 will, "decoupling or whatever mechanism would  
11 serve that purpose."

12 As far as since Order 25,932, the  
13 Commission sort of doubled down on LBR and the  
14 methodology in Order 26,323. So, there was sort  
15 of a -- I don't know if it was a resetting, but  
16 it was sort of a reinforcement of what the LBR  
17 Working Group had done, and they said "Yes, we  
18 still bless this methodology." And, so, I  
19 believe from -- and that was in 2019 or 2020.  
20 And, so, by that time, the last rate case for  
21 Eversource was already in the works. The  
22 Settlement Agreement went in around October of  
23 2020, and that's when we agreed to propose  
24 something that would replace LBR. So, we're just

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[WITNESS PANEL: Chen|Leménager]

1 dealing with a time lag right now.

2 WITNESS LEMENAGER: And, if I could add  
3 as well, on Bates Page 030 of the same order,  
4 25,932, --

5 CHAIRMAN GOLDNER: Uh-huh.

6 WITNESS LEMENAGER: -- the Settlement  
7 Agreement noted that each utility, in their  
8 "first rate case following the first three-year  
9 period for the EERS, should seek approval of a  
10 new decoupling mechanism as an alternative to the  
11 LRAM, and that the LRAM cease when that new  
12 mechanism is implemented."

13 CHAIRMAN GOLDNER: Okay. Thank you.

14 MS. CHIAVARA: And sorry, not to pile  
15 on. But, also, that the Company's last rate  
16 case, the 19-057 docket, that was a super fun  
17 test case into COVID rate cases. So, that was  
18 the first rate case that got extended out for 18  
19 months. So, there were quite a bit of timing  
20 issues, as far as the implementation goes.

21 CHAIRMAN GOLDNER: Fair enough. I  
22 think it will all even out if the Company files  
23 with a 2023 test year. And, if they don't, then  
24 it may get interesting. So, we'll have to see

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[WITNESS PANEL: Chen|Leménager]

1           how that shakes out.

2 BY CHAIRMAN GOLDNER:

3 Q       So, I wanted to follow up, too, on the Settlement  
4       Agreement in Docket 15-137, because you can't go  
5       far enough back in time, which was summarized in  
6       25,932, Page 30, the same page we were talking  
7       about here. And there it says the "total  
8       recovery through LRAM is to be capped at 110  
9       percent of the planned annual savings."

10                   And, so, my question is, is that still  
11       the case? And, if so, can you share where it is  
12       in the filing?

13 A       (Leménager) So, the LRAM is capped at 110 percent  
14       of the planned savings. Bless you. However, we  
15       have not met the -- we haven't hit the cap this  
16       prior year, so the cap did not apply. However,  
17       in prior years, back in, I believe, 2017 and  
18       2018, we did exceed 110 percent of the planned  
19       savings. So, we did not collect LBR beyond 110  
20       percent of those savings.

21 Q       Okay. Thank you. And where are we with respect  
22       to the cap right now? Is it at 97 percent or  
23       109.9 or --

24 A       (Leménager) I am pulling back up last year's



[WITNESS PANEL: Chen|Leménager]

1 filing. As of today, we're, for 2023, we're  
2 aiming for 100 percent.

3 Q Okay.

4 A (Leménager) So, I can leave it at that.

5 Q So, a long way from 110. Okay. Thank you.

6 Another question is, the "rate used to  
7 calculate the LRAM recovery was to be an average  
8 distribution rate excluding customer charges."  
9 Is that still the case, and is that represented  
10 here in the filing?

11 A (Leménager) Yes. Pulling back up, in Exhibit 2,  
12 Bates Page 008, there's an asterisk and a  
13 footnote at the bottom that notes what is  
14 excluded from those average distribution rates,  
15 which includes the customer charge, as well  
16 certain rate classes, like Outdoor Lighting.

17 CHAIRMAN GOLDNER: Very good. Thank  
18 you. Okay.

19 Okay. I think that's all the questions  
20 I have.

21 I'll just note here for the record that  
22 the Commission has been looking into decoupling,  
23 you know, at the other utilities. And we're not  
24 sure how well it's working, and I say that, but

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1 we're not sure. It's something that we're  
2 looking at and evaluating now. But I just wanted  
3 to mention that to Eversource while we were here  
4 today.

5 I'll now turn to my other  
6 Commissioners, to see if there's any additional  
7 questions, before we move to redirect?

8 CMSR. CHATTOPADHYAY: I have one  
9 question.

10 CHAIRMAN GOLDNER: Okay.

11 BY CMSR. CHATTOPADHYAY:

12 Q Exhibit 1, Bates Pages 009 and 010. So, around  
13 the section where you are talking about "2018  
14 test year savings". So, I'm just -- do you know  
15 what residual savings were not fully recognized,  
16 and so what that meant, in terms of the LBR  
17 revenue?

18 A (Leménager) Yes. For Exhibit 2, Page -- let's go  
19 with Page 2.

20 Q Bear with me.

21 A (Leménager) Yes.

22 Q Yes. I'm there.

23 A (Leménager) Line 2 is a representation of the C&I  
24 savings from that test year. Those are the

[WITNESS PANEL: Chen|Leménager]

1 residual savings from that year. And, then,  
2 Line 1 is a bit more nebulous, it's in the soup,  
3 if you will, that 68 million. The 68.8 million  
4 contains what was from 2018, plus what was from  
5 prior years as well.

6 But, for C&I, that 38.2 million, on  
7 Line 2, is explicitly the residual savings from  
8 2018.

9 Q Okay. But this is all kilowatt-hours?

10 A (Leménager) Yes.

11 CMSR. CHATTOPADHYAY: Okay. Thank you.

12 CHAIRMAN GOLDNER: Okay. Thank you.

13 And we can now move to Eversource  
14 redirect.

15 MS. CHIAVARA: Thank you, Mr. Chairman.  
16 I only have, I believe, one question. And this  
17 is for Mr. Leménager.

18 **REDIRECT EXAMINATION**

19 BY MS. CHIAVARA:

20 Q The Chair was just asking you a little bit ago  
21 about why LBR was cumulative. And I just wanted  
22 to make sure that LBR is cumulative, to a certain  
23 extent, during the course of measure lives. But,  
24 in the course of that, measures are being

[WITNESS PANEL: Chen|Leménager]

1           retired, and that falls out of the cumulative  
2           balance, correct?

3   A       (Leménager) Correct. Retired measures are  
4           removed from the calculation from the date of  
5           their retirement.

6   Q       So, it's not just a -- it's not just a pure  
7           accumulation? It's not just a purely growing  
8           number?

9   A       (Leménager) Correct.

10                   MS. CHIAVARA: Okay. Okay, I don't  
11           have anything else. That's it.

12                   CHAIRMAN GOLDNER: Thank you.

13                   So, at this point, I'll release the  
14           witnesses. Thank you. You may stay seated where  
15           you are, if that's okay. And the witnesses are  
16           released.

17                   Without objection, Exhibits 1 and 2 are  
18           admitted into the record. Attorney Lynch, I  
19           think we agreed to file Exhibit -- the memo from  
20           the Department as "Exhibit 3". And, then, I'll  
21           hold the record open for the Exhibit 4 that we  
22           talked about earlier, in terms of the table.

23                   MS. CHIAVARA: And when would you like  
24           that by?

1 CHAIRMAN GOLDNER: Would Tuesday, next  
2 Tuesday, the 19th, be possible?

3 MS. CHIAVARA: I'm seeing positive  
4 shrugs. So, let's go with "yes".

5 CHAIRMAN GOLDNER: That looks a lot  
6 like a "yes".

7 Okay. Very good. So, let's go with  
8 the 19th on that. I know the Company is looking  
9 for an order by the end of the month, correct?  
10 So, yes, that would fit nicely into that  
11 schedule.

12 Okay. Anything else, before we move to  
13 closing?

14 *[No verbal response.]*

15 CHAIRMAN GOLDNER: No? Okay. We'll  
16 take closing statements, first from the New  
17 Hampshire Department of Energy, and then from  
18 Eversource.

19 MS. LYNCH: The Department has reviewed  
20 the Petition, reviewed the testimony, we engaged  
21 in discovery with the Company, we did one set of  
22 data requests, the Company responded. We also  
23 participated in a joint technical session with  
24 the Company. And, during that dialogue, the

1       Company was very receptive, they amended their  
2       testimony to include additional information, they  
3       lowered the rate.

4               The Department appreciates the  
5       Company's cooperation with this docket. And the  
6       Department has no concerns with this filing, and  
7       recommends approval of the LBR rate proposed by  
8       the Company as stated in Exhibit 2.

9               We'd also just like to note that the  
10      LBR rate is reconcilable, and the rate is  
11      decreasing from 2023.

12              Thank you.

13              CHAIRMAN GOLDNER: Thank you, Attorney  
14      Lynch. We'll now turn to Eversource.

15              MS. CHIAVARA: Thank you, sir.

16              I first wanted to address your question  
17      about the Petition, referencing "automatic  
18      Commission approval", or "automatic approval" in  
19      the absence of a Commission order. The Petition,  
20      on Page 1, I believe is where you're referring  
21      to. In that Petition, I was referring to the  
22      three-year energy plan itself, if there was no  
23      Commission order, the law deems that to be  
24      approved. However, I did note that it "exempts

1 performance incentives and LBR from that  
2 automatic approval, instead requiring a  
3 Commission order without qualification."

4 So, that was -- that was the final  
5 answer on that one.

6 CHAIRMAN GOLDNER: Thank you.

7 MS. CHIAVARA: Sure. I do not have  
8 much to say in closing. So, I will keep this  
9 brief.

10 The witnesses covered, I think,  
11 everything quite thoroughly. But I would like to  
12 thank the Commission for the expedited  
13 consideration of this matter, right on the heels  
14 of the three-year energy efficiency plan. This  
15 has been a considerable amount of information,  
16 fairly complex information, to digest in what has  
17 been quite a condensed timeline all told. And  
18 the Company appreciates the thorough and swift  
19 engagement of the Commission on these matters to  
20 aid the utilities in complying with all of the  
21 requirements of RSA 374-F:3, VI-a.

22 I just want to briefly reiterate that  
23 Eversource did calculate the proposed 2024 LBR  
24 rate consistent with the mandate of 374-F:3,

1 VI-a, in Subparagraph (d), by using the  
2 methodology in place on January 1st, 2021, and  
3 which is reflective of the recommendations of the  
4 LBR Working Group, which was the origin of the  
5 methodology in place at that time, approved by  
6 Commission Order 26,323, and then reinforced by  
7 the passage of the most recent law.

8 The Company would just reiterate its  
9 respectful request that the Commission,  
10 consistent with RSA 374-F:3, VI-a(d)(5), approve  
11 the LBR rate of 0.178 cents proposed by the  
12 Company in the update that was made on  
13 December 1st, as doing so will result in just and  
14 reasonable rates.

15 Thank you.

16 CHAIRMAN GOLDNER: Does the Company  
17 have a timeline that it would need in order to  
18 implement these rates by January 1st? Is the end  
19 of the month sufficient, or do you need a few  
20 days in advance?

21 MS. CHIAVARA: I think our Rates folks  
22 might really appreciate a couple of days grace,  
23 just to get everything filed and ready to go.  
24 They're more or less prepared. It won't take a



1           terrible length of time, but just to make sure it  
2           goes smoothly.

3                   CHAIRMAN GOLDNER:   Okay.   Midnight, on  
4           the 31st, might not be optimal.

5                   MS. CHIAVARA:   Might be a little  
6           tricky.   Hard to get people on the computer, too.

7                   CHAIRMAN GOLDNER:   Fair enough.   Well,  
8           we'll certainly try to issue an order well before  
9           the 31st.

10                   Okay.   So, we'll take the matter under  
11           advisement, issue an order by the end of the  
12           month.   And we are adjourned.   Thank you.

13                           ***(Whereupon the hearing was adjourned***  
14                           ***at 2:42 p.m.)***