

STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION

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

2024 Energy Service Solicitations

Docket No. DE 24-046

Technical Statement of Parker Littlehale, Luann Lamontagne,  
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July 3, 2024

Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) hereby submits this Technical Statement in compliance with the Commission’s *Order Approving Solicitations, and Requesting Re-Filing of Energy Service Rates by July 10, 2024*, Order No. 27,022 (June 20, 2024) (the “Order”).

The Order directed the Company to: (1) place the \$6.5 million under-collection for the Large Customer Group into a deferral account, with Tariff-specified carrying charges to be assessed; (2) adjust its proxy price calculations for the 12.5% market-based procurement tranche for the Small Customer Group using the latest available information on actual costs instead of using the multiplier based approach; (3) provide a recalculation of the Energy Service Tariff rate elements and expected Energy Service bill impacts based upon the under-collection deferral and modified proxy price calculation, to be filed no later than July 10; and (4) provide a calculation of the estimated carrying charges associated with the \$6.5 million deferral for the next calendar year as part of the July 10 filing.

This Technical Statement addresses each of those four issues as follows:

1. Large Customer Group Under-Recovery Deferral

The Company has set up a deferral account for the approximately \$6.5 million Large Customer Group under-recovery, effective as of June 24, 2024. Tariff-based carrying charges will be applied to the balance in the deferral account until such time as the under-recovery balance is included in the Stranded Cost Recovery Charge or other rate mechanism for recovery from electric customers, as contemplated by the Order.

2. Proxy Price Adjustment for Small Customer Group Market-Based Tranche

The Company has adjusted the proxy price calculated for the single 12.5% market-based procurement tranche for the Small Customer Group load using recently available ISO New England wholesale load cost components information rather than relying on a multiplier-based approach referencing the historical ratio between energy prices and other wholesale load costs.

The methodology utilized for that recalculation can be summarized as follows: the Energy Price Bid Multiplier was replaced with a load-weighted average monthly cost of Wholesale Load Cost Components. The actual costs for NCPC (Net Commitment Period Compensation), Ancillary Services, Misc. Credit/Charge, Wholesale Market Service Charge, and IEP (Inventoried Energy Program) for the months of August 2023 through May 2024 were used. The monthly cost of the Wholesale Load Cost Components was then added to the load-weighted period monthly amounts for Energy and Capacity to produce monthly rates for the 12.5% self-supply tranche. The results of the recalculation are shown in Attachments LJL-10 and LJL-11 and show a slight decrease of 0.5% on average for the six months of the upcoming Energy Service rate period.

### 3. Recalculation of Energy Service Rates and Estimated Bill Impacts

The Company has recalculated the Energy Service rates for the upcoming six-month period beginning on August 1, 2024 in order to reflect (1) the adjusted proxy price for the 12.5% market-based Small Customer Group load tranche, and (2) deferral of the approximately \$6.5 million Large Customer Group under-recovery balance. Those recalculations are shown in Attachment YC/SRA-1 at Page 1 and Page 2, respectively.

The recalculated Small Customer Group Energy Service rate for the period August 1, 2024 through January 31, 2025 is 10.403¢/kWh, and the recalculated Large Customer Group monthly rates are as follows:

| <u>Month</u>   | <u>Rate (¢/kWh)</u> |
|----------------|---------------------|
| August 2024    | 8.614               |
| September 2024 | 7.540               |
| October 2024   | 6.974               |
| November 2024  | 9.212               |
| December 2024  | 13.595              |
| January 2025   | 18.333              |

Customer bill impacts are depicted in Attachment YC/SRA-4. Page 1 provides comparisons of residential rates proposed for effect August 1, 2024 to current rates effective February 1, 2024. The impact to a 600 kWh customer of the proposed default service rate would be an increase of 9.9% to the total customer bill.

Page 2 of the attachment provides comparisons of residential rates proposed for effect August 1, 2024 to rates effective one year ago, on August 1, 2023. The impact to a 600 kWh customer of the proposed default service rate would be a decrease of 9.0% to the total customer bill.

And Page 3 of Attachment YC/SRA-4 provides the average impact of each change on bills for all rate classes by the Energy Service rate component and by the total bill.

4. Carrying Charges Associated with \$6.5 Million Deferral

The Company has estimated the carrying charges associated with the approximately \$6.5 million under-collection balance deferral for the next calendar year, as shown in Attachment YC/SRA-2 at Page 5. Those carrying charges are estimated to total \$278,000 for the relevant period.

5. Conclusion

Eversource believes that its recalculations of the market-based tranche proxy price and the Energy Service rates for both Small Customers and Large Customers are fully compliant with the Commission's directives in the Order and result in just and reasonable rates that may be approved by the Commission. The Company respectfully requests that the Commission approve the recalculated Energy Service rates, to become effective on August 1, 2024, by order *nisi* and without a hearing or any further process.