

STATE OF NEW HAMPSHIRE  
BEFORE THE PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire  
d/b/a Eversource Energy  
Energy Service Solicitation for  
February 2025 through July 2025  
Docket No. DE 24-046

DIRECT TESTIMONY OF  
LUANN J. LAMONTAGNE and  
PARKER LITTLEHALE

1 **I. INTRODUCTION**

2

3 **Q. Please state your name.**

4 A. My name is Luann J. LaMontagne.

5 **Q. Ms. LaMontagne please provide your business address and title.**

6 A. My business address is 107 Selden Street, Berlin, Connecticut. I am a Senior  
7 Analyst in the Electric Supply department of Eversource Energy Service Company.

8 **Q. Ms. LaMontagne please describe your responsibilities at Eversource Energy.**

9 A. I perform the activities required to fulfill the power supply requirement obligations  
10 of Public Service of New Hampshire, d/b/a Eversource Energy (“Eversource” or the  
11 “Company”), including conducting solicitations for the competitive procurement of  
12 power for Energy Service (at times referred to herein as “ES”) and for fulfilling  
13 Renewable Portfolio Standards (“RPS”) obligations. I am also responsible for  
14 ongoing activities associated with independent power producers and purchase  
15 power agreements.

16

17 **Q. Have you previously testified before the Commission?**

1 A. Yes, I have testified in prior energy service rate dockets

2

3 **Q. Please state your name.**

4 A. My name is Parker Littlehale.

5 **Q. Mr. Littlehale, please provide your business address and title.**

6 A. My business address is 247 Station Drive, Westwood, MA. I am a Manager,  
7 Wholesale Power Supply, in the Electric Supply department of Eversource Energy  
8 Service Company.

9 **Q. Mr. Littlehale, please describe your power procurement responsibilities at**  
10 **Eversource Energy.**

11 A. I oversee the process required to fulfill the power supply requirement obligations of  
12 the Company, including overseeing solicitations for the competitive procurement of  
13 power for ES, and supervising the fulfillment of RPS obligations. I will also be  
14 overseeing the 30% Small Customer Group load tranche and the 100% Large Customer  
15 Group load that will be procured through direct wholesale market participation. I also  
16 manage this process for Eversource Energy affiliates CL&P of Connecticut and  
17 NSTAR of Massachusetts.

18

19 **Q. Have you previously testified before the Commission?**

20 A. Yes, I have testified in prior energy service rate dockets

21

22

23 **II. PURPOSE**

24

25 **Q. What is the purpose of your testimony?**

26 A. The purpose of our testimony is to support the Company's request for Commission  
27 approval of Eversource's planned procurements of full requirements power from  
28 wholesale energy providers and ES rates for both the Large and Small Customer  
29 Groups for the period of February 1, 2025 through July 31, 2025. ES is provided to

1 retail Eversource customers who are not taking service from a competitive electric  
2 power supplier or through a community power aggregation and is currently  
3 provided to approximately 62% of residential customers, 18% of commercial  
4 customers, and under 4% of industrial customers, which in the aggregate represent  
5 about 32% of Eversource’s total distribution load. Load requirements may change  
6 from time to time—with a greater likelihood now that community power  
7 aggregations have launched and are continuing to launch—and winning suppliers  
8 are responsible for their share of Small Energy Service supply regardless of changes  
9 in customer demand for any reason, including daily load fluctuations, increased or  
10 decreased usage, demand-side management activities, load migration as community  
11 power aggregations come online, extreme weather and similar events. Suppliers are  
12 required to supply their share of load for the full delivery term of February 2025  
13 through July 2025. Our testimony will describe the solicitation process used by  
14 Eversource to procure full requirements power, the results of the solicitation and  
15 selection of suppliers, the self-supply Small Customer Group load tranche as well as  
16 the self-supply Large Customer Group load, the development of the proxy prices  
17 applicable to both the market-based self-supply tranches, and the development of  
18 the RPS rate adder.

19 **Q. Please provide a list of attachments to your testimony.**

- 20 A. LJL-1 Energy Service RFP for February 1, 2025 through July 31, 2025  
21 LJL-2 RFP Results and Selection of Suppliers  
22 LJL-3 Eversource Proxy Price for Solicitation  
23 LJL-4 Eversource Proxy Price for 30% Market-Based Small Customer  
24 LJL-5 Eversource Proxy Prices for 100% Market-Based Large Customer  
25 LJL-6 RPS Rate Adder  
26 LJL-7 Executed Transaction Confirmation - Constellation – Small  
27 LJL-8 Executed Transaction Confirmation - NextEra – Small  
28 LJL-9 Table: Weighted Customer Energy Service Rate

29 **III. ENERGY SERVICE SOLICITATION PROCESS**

1 **Q. What is the background leading to Eversource procuring Energy Service from**  
2 **competitive wholesale suppliers?**

3 A. On June 10, 2015, and following extensive negotiations, Eversource and numerous  
4 other parties filed the 2015 PSNH Restructuring and Rate Stabilization Agreement  
5 (the “2015 Agreement”), which was approved by the Commission along with a  
6 related litigation settlement in Order No. 25,920 (July 1, 2016).

7 Consistent with the 2015 Agreement, on June 29, 2017, Eversource filed a petition  
8 and supporting testimony with the Commission seeking approval of a proposed  
9 process for procuring and providing default ES to customers on a competitive basis,  
10 rather than through its previous paradigm of a managed portfolio with owned  
11 generation resources. That filing initiated Docket No. DE 17-113, “Petition for  
12 Approval of Energy Service Supply Proposal.” Following discussions among the  
13 parties to that docket, a Settlement Agreement was reached which described the  
14 method of and timing for Eversource’s transition to competitively procured Energy  
15 Service. That Settlement Agreement was approved by Order No. 26,092  
16 (December 29, 2017).

17 Consistent with the Settlement Agreement in Docket No. DE 17-113, Eversource  
18 conducted its initial solicitation for full requirements ES (not including RPS  
19 obligations) for the period April 1 through July 31, 2018. Also consistent with that  
20 Settlement Agreement, going forward, subsequent solicitations would be made for  
21 service effective in the August through January, and February through July service  
22 periods.

23  
24 The Company continued its procurement process consistent with the Settlement  
25 Agreement in Docket No. DE 17-113, adhering to a process which includes a single  
26 procurement for 100% of the ES load for each of the two six-month service periods  
27 spanning February through July and August through January. Eversource’s service  
28 periods were established for the purpose of splitting the typically highest-cost

1 months of January and February in order to reduce price volatility. Per recent Order  
2 No. 27,064, one 30% small customer load tranche will be procured through direct  
3 wholesale market participation, while the remaining five tranches of 14% each,  
4 totaling 70% of the ES load for the Small Customer load, will be procured through  
5 a competitive solicitation process, for this next service period beginning on  
6 February 1, 2025. In addition, also per Order No. 27,064, 100% of the Large  
7 Customer load will be procured through direct wholesale market participation,

8 **Q. Please describe the process Eversource used to procure its Energy Service**  
9 **supply for February 1, 2025 through July 31, 2025.**

10 A. Eversource conducted its procurement of ES supply in accordance with applicable  
11 law, Commission directives, and the Settlement Agreement approved by the  
12 Commission in Order No. 26,092, and consistent with the manner of similar  
13 solicitations for other companies throughout New England. On October 31, 2024,  
14 Eversource issued a request for proposals (“RFP” – Attachment LJJ-1) for power  
15 supply services for Eversource’s ES load covering 70% of the Small Customer  
16 Group load. Notices of the issuance of the RFP were sent to prior participants in  
17 Eversource’s wholesale supply solicitations and to numerous other ISO-NE  
18 wholesale market participants and potential suppliers, and the RFP was posted on  
19 Eversource’s Wholesale Supply (New Hampshire) website. Therefore, the RFP had  
20 wide distribution throughout the New England energy supply marketplace.

21 Proposals were to be stated on an “as-delivered” energy basis to Pool Transmission  
22 Facilities (“PTF”) within the Eversource metering domain, with prices stated  
23 monthly on a fixed \$/MWh basis. Prices could vary by calendar month but were  
24 required to be uniform for the entire calendar month and cover the entire delivery  
25 term. Offers for the current RFP, which consisted of procuring 70% of the Small  
26 Customer Group load were due on December 10, 2024, winning suppliers were  
27 selected the same day, and transaction confirmations were executed the following  
28 day.

1 **Q. In Order No. 27,064 (October 15, 2024), the Commission approved the**  
2 **Company’s proposal to implement a self-supply, direct wholesale market**  
3 **participation process for 30 percent of its Small Customer Group and 100**  
4 **percent of its Large Customer Group for the February 1, 2025 to July 31, 2025**  
5 **Energy Service period. Please describe that process.**

6 A. Eversource withheld 30% from the RFP to serve its Small Customer Group load  
7 and that tranche, in addition to 100% of the Large Customer Group load, will be  
8 supplied through a market-based self-supply process. Eversource will obtain a  
9 daily load forecast for those market-procurement tranches from a third-party vendor  
10 and procure that supply from the Day-Ahead ISO-New England market, except that  
11 any load amounts that deviate from this forecast would be sold into or purchased  
12 from the ISO New England Real-Time market.

13  
14 **Q. Did Eversource have any market price expectations as to the results of the**  
15 **procurement?**

16 A. Eversource has independently prepared a “proxy” supplier price using the  
17 Company’s internal analysis, which is used to evaluate the reasonableness of offers  
18 received through its RFPs, since the current Energy Service Procurement process  
19 commenced in 2018. Eversource calculates the cost of energy and capacity  
20 components and then applies a multiplier to account for other cost elements, as  
21 described in more detail below. The energy component represents OTC Global  
22 Holdings<sup>1</sup> forward energy prices for the relevant six-month period, and the  
23 capacity component represents known regional forward capacity market costs.  
24 When comparing the internal proxy price against supplier bids, the multiplier also  
25 includes an estimate for supplier margins and risk premiums.

26 **Q. Did Eversource separately calculate proxy prices for the portions of default**  
27 **service customer load to be self-supplied through direct market participation?**

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<sup>1</sup> As of August 23, 2024, NYMEX no longer published forward power prices, so the Company utilized OTC Global Holdings, an independent broker of commodities, for the power forward curves as a NYMEX pricing index replacement.

1 A. Yes. For the upcoming six-month energy service rate period, Eversource has also  
2 calculated proxy prices applicable to the market-based 30% Small Customer Group  
3 self-supply tranche, and the 100% Large Customer Group self-supply load, the  
4 calculation of which proxy prices is consistent with the Commission’s directive in  
5 Order No. 27,022 (June 20, 2024): “an average of (a) the four-year rolling weighted  
6 average of ISO-New England market prices in the New Hampshire load zone, and  
7 (b) the NYMEX <sup>2</sup> futures prices for the upcoming six-month energy service period  
8 for ISO-New England; (3) a continuation of the monthly pricing approach for the  
9 Large Customer Group, with an appropriate proxy price. The relevant components  
10 and calculations for each customer group are summarized in Attachments LJJ-4  
11 and LJJ-5.  
12

#### 13 IV. ENERGY SERVICE SOLICITATION RESULTS

14 **Q. What are the decision-making criteria used by the Company to**  
15 **analyze the bids received in response to the RFP?**

16 A. Eversource takes into account the totality of the circumstances surrounding the  
17 RFP and the service period that it covers. The main criteria are the number of  
18 bidders participating, the number of bids received, and how the bid prices are  
19 clustered, or distributed. These criteria are particularly telling regarding the state of  
20 the market.  
21

22 In this instance, the results for the Small Customer Group tranche bids satisfied all  
23 the main criteria: there were several bidders, a good number of bids, and the bid  
24 prices were clustered quite closely together. This combination gives the Company a  
25 high degree of confidence in recommending these bids as just and reasonable for  
26 approval by the Commission. Additionally, the bids were aligned with our  
27 estimated proxy price as described above.  
28

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<sup>2</sup> *Id.*

1 **Q. What impact, if any, did community power aggregations coming online during**  
2 **the current service period have on the solicitation for the next service period?**

3 A. There are many communities within the Eversource service territory that are  
4 forming or have formed community power aggregations, so there has been  
5 significant migration of load to those aggregations, and more is expected to occur.  
6 According to the most recent data available, approximately 154,415 customers in  
7 the Company's service territory have enrolled in community power aggregation  
8 programs. Additional migration could occur at a steady pace throughout the  
9 duration of the upcoming service period, or it could happen in large quantities  
10 within a relatively short period of time. Eversource is unable to determine if  
11 suppliers adjusted their bid prices for the next service period to account for past or  
12 future load migration to community power aggregators.

13  
14 **Q. Did Eversource receive a sufficient number of acceptable and competitive**  
15 **responses to the RFP to cover all of Eversource's ES load subject to**  
16 **procurement through competitive solicitation?**

17 A. Yes, Eversource received sufficient bids for the Small Customer Group load  
18 tranches. Eversource evaluated those offers and selected winning bids from  
19 suppliers using Eversource's decision-making criteria, further supported by the  
20 proxy price as determined for bid evaluation, and accounting for current market  
21 conditions, as well as compliance with non-price bidding requirements and bidder  
22 qualifications, and risk relative to price and ability to serve the load. For all bids  
23 the Company accepted on December 10, 2024, Eversource entered into Transaction  
24 Confirmations for the service period of February 1, 2025 through July 31, 2025,  
25 with the winning suppliers for the Small Customer Group load tranches. Together,  
26 a Transaction Confirmation and a Master Power Supply Agreement ("MPSA")  
27 provide the terms for the purchase of ES supply from a supplier, and both have been  
28 executed for all the winning suppliers. Copies of executed Transaction  
29 Confirmations are included in this filing as Confidential Attachments LJL-7 and  
30 LJL-8. Executed MPSAs with the winning bidders were previously provided in  
31 Docket No. DE 18-002.



1

2 **Q. Please discuss the offers received and the analysis leading to the selection of**  
3 **winning suppliers.**

4 A. The offers received, and the identification of the winning offers are shown in  
5 Confidential Attachment LJL-2. In addition to ranking by price and the ability to  
6 meet credit requirements, Eversource also considered the following regarding each  
7 supplier: experience in providing similar services to Eversource, demonstrated  
8 understanding of the market rules related to the provision of ES, demonstrated  
9 understanding of its obligations under the MPSA, and any past or present known  
10 events that may adversely affect a supplier's ability to provide ES. Eversource has  
11 previously experienced successful full requirements power supply transactions with  
12 all of the selected suppliers, and all of them performed competently during the  
13 service periods for which they were selected. No suppliers were downgraded based  
14 on any prior experiences, and all have met the credit requirements outlined by the  
15 MPSA and RFP. Eversource concluded that all responding suppliers were qualified  
16 to provide ES, and therefore selections were based on offered prices, taking into  
17 account the current state of the competitive wholesale power markets.

18 **V. RENEWABLE PORTFOLIO STANDARD**

19 **Q. Previously you stated that the procurement of full requirements Energy**  
20 **Service did not include RPS obligations. How will Eversource fulfill the RPS**  
21 **requirements associated with Energy Service?**

22 A. In accordance with the Settlement Agreement in Docket No. DE 17-113,  
23 Eversource will manage its RPS compliance requirements outside of the ES RFP  
24 process. Consistent with the manner employed by Eversource for ES customers in  
25 New Hampshire over many previous years, by Eversource Energy's affiliated  
26 companies in other jurisdictions, and by other New Hampshire utilities, Eversource  
27 will fulfill RPS requirements through purchases of Renewable Energy Certificates  
28 ("RECs") from the issuance of periodic RFPs, through purchases directly from REC

1 producers, through the bilateral market for RECs, or through Alternative  
2 Compliance Payments (“ACPs”) made to the Department of Energy (“DOE”).  
3

4 **Q. How will RPS requirements be reflected in Energy Service customers’ rates?**

5 A. Eversource has established an RPS Adder rate based on REC class percentage  
6 requirements and current REC market price information as of the full requirements  
7 power supply RFP due date. Development of the RPS Adder is outlined in  
8 Attachment LJL-6. The RPS component of ES rates will apply these factors to  
9 reflect the current expected cost of RPS compliance obligations. The RPS Adder  
10 and the rate developed to recover the costs of full requirements power supply  
11 procurements from third-party suppliers or through self-supply direct market  
12 participation, and including prior period reconciliations, comprise the components  
13 of the overall ES rate. Please refer to Ms. Botelho’s and Mr. Davis’s testimony,  
14 which addresses ES rate development.  
15

## 16 **VI. CONCLUSION**

17

18 **Q. How does Eversource view the outcome of its competitive solicitation for the**  
19 **provision of Energy Service for 70% of the Small Customer Group load for the**  
20 **period February 1, 2025 through July 31, 2025?**

21 A. Eversource believes the outcome of the recent RFP to be reflective of market  
22 conditions, and that the bids recommended by the Company for approval in this  
23 filing represent market-competitive supply rates for the Company’s ES Small  
24 Group Customers. Eversource also urges the Commission to accept all of the  
25 proposed bids for the Small Customer Group, as well as the proxy prices  
26 determined for the market-based self-supply tranches for both the Small and Large  
27 Customer Groups.  
28

29 **Q. Does the Company believe that the bids recommended for approval in this**  
30 **filing, together with such self-supply proxy prices, will result in just and**  
31 **reasonable Energy Service rates?**

1 A. Yes.

2

3 **Q. What is the Company's schedule for the solicitation for the Energy Service**  
4 **period of August 2025 through January 2026?**

5 A. Eversource plans to issue an RFP for the Small Customer Group in May 2025 for  
6 Energy Service supply during the period from August 1, 2025 through January 31,  
7 2026. For purposes of notice to the Commission, the following illustrates  
8 Eversource's proposed schedule for the next RFP:

9 Issue RFP Thursday, May 8, 2025

10 Final Offers Due Tuesday, June 17, 2025

11 Filing Thursday, June 19, 2025

12 Requested PUC Decision No Later Than Thursday, June 24, 2025

13

14 **Q. Does that conclude your testimony?**

15 A. Yes, it does.

16

17