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DEPARTMENT OF ENERGY
21 S. Fruit St., Suite 10
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January 10, 2025

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

Re: DE 24-070, Public Service Company of New Hampshire d/b/a Eversource Energy
Request for Change in Distribution Rates; Department of Energy Request to Amend
Procedural Schedule

Dear Chairman Goldner:

On June 28, 2024, the Commission issued a Commencement of Adjudicative Proceeding and Notice of Prehearing Conference and Hearing in the above-captioned matter, which included Commission-Ordered Procedural Schedule Features of three sets of Prehearing Technical Conferences, a Deadline for Filing of Settlement Agreement by Parties, and six days of Final Hearings on the Merits (with the last two dates noted as “If Necessary”).¹ On September 20, 2024, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “Company”) filed a proposed procedural schedule, noting that many parties had assented to most of the dates in the schedule.² On September 23, 2024, the Department of Energy (“DOE” or “Department”) filed its position on Eversource’s proposed procedural schedule, which was largely consistent with that proposed by Eversource.³ On September 27, 2024, the Commission issued an order on Eversource’s proposed procedural schedule, declining to fully adopt the schedule proposed by Eversource but moved the start of final hearings to two weeks later than those it originally ordered, and extended the settlement filing deadline by two weeks as well. In its order, the Commission noted that it must provide fair procedures and due process to the parties, while also balancing its regulating issuing statutes, including reviewing the matters before it to determine whether the rates proposed are just and reasonable.⁴ On October 14, 2024, Eversource filed a new proposed procedural schedule with the assent of the majority of the parties, which was approved by the Commission on November 5, 2024, and which is the procedural schedule currently governing the

¹ See Docket No. DE 24-070, Tab 11, Order No. 27,029 Commencement of Adjudicative Proceeding (June 28, 2024) at p. 7

² See Docket No. DE 24-070, Tab 51, Eversource Energy Proposed Procedural Schedule and Request to Set Hearing Date

³ See Docket No. DE 24-070, Tab 52, New Hampshire Department of Energy Position on Proposed Procedural Schedule

⁴ See Docket No. DE 24-070, Tab 57, Procedural Order Re: Eversource Motion to Modify Procedural Schedule (September 27, 2024) at pp. 3-4

proceeding.⁵ The parties to the proceeding are Eversource, the Department, the Office of the Consumer Advocate (“OCA”), Clean Energy New Hampshire (“CENH”), Community Power Coalition of New Hampshire (“CPCNH”), Conservation Law Foundation (“CLF”), Mary Ellen O’Brien Kramer, New England Connectivity and Telecommunications Association, Inc. (“NECTA”), Walmart, Inc. (“Walmart”), AARP New Hampshire (“AARP”), Aleksandar Milosavljevic-Cook, the Large Customer Consortium, and Standard Power of America (“Standard Power”) (hereinafter referred to as the “Parties”).

In this letter, the Department requests that the Commission allow the Department and any other intervenors two weeks of additional time to submit testimony in this proceeding. The Department also requests to adjust the subsequent dates, including the settlement deadline, while retaining as close as possible the timeframes included in the approved procedural schedule submitted on October 14, 2024. The proposed schedule keeps the hearing dates set by the Commission in its September 27, 2024, order, and provides that any settlement be filed two weeks before the first of the hearing dates.

The Department requests this extension in order to review additional information Eversource is expected to provide in the coming days and weeks, as well as the anticipated completion of the Department’s Audit Division Final Report, and to have the opportunity to sufficiently consider such information in forming its position and testimony on the Company’s rate increase request; and in order to ensure its testimony presented for the record is well-informed, carefully prepared, and fully represents the position of the Department.

1) Additional information from Eversource

At the January 7, 2025, Prehearing Technical Conference held in this proceeding, Eversource indicated it would provide significant additional information in this matter. Some of this information included:

- a) Description of the \$681 million spent in capital since the Company’s last rate case
- b) Flowchart for capital expenditure approval
- c) Policy for determining whether an item (such as a personal computer) is capitalized vs. expensed
- d) Actual and forecasted information on the impact of the Consolidated Communications acquisition for 2019-2024
- e) Description of value/benefits at the company level and parent company level of \$90 million in software investments
- f) Metrics measuring use of Supplemental Requests in the Capital Budget process

⁵ See Docket No. DE 24-070, Tab 76, Eversource Energy Joint Proposed Procedural Schedule and Tab 84, Procedural Order Re: Proposed Procedural Schedule; Delineation of Topics for November and January Commission-Attended Prehearing Technical Conferences

- g) Reasons for Eversource's decision not to self-insure for property insurance as Eversource does for health insurance
- h) Summary Table of all normalizing and pro-forma adjustments to cost of service
- i) Demonstration that retiree health benefits and pension/401(k) benefits are consistent with industry standards
- j) Percentage of labor charged to capital vs. expense for 2021 and 2022
- k) Comparison of Eversource distribution rates in New Hampshire vs. Massachusetts
- l) Quantification of Lost Base Revenues ("LBR") to be recovered in final reconciliation assuming PBR is approved and LBR ceases as of 8/1/2024 (the effective date of temporary rates)

Additionally, as of the date of the filing of this letter, the Department is waiting for responses to a set of technical session data requests issued to the Company on December 20, 2024, which are now three days late. The Department believes that having time to review information provided by the Company as outlined at the January 7 prehearing technical conference as well as responses to the Department's data requests will be important in developing well-informed positions and testimony on the issues in this matter.

2) Audit

As of the date of the filing of this letter, the Department does not expect to have a Final Audit Report in time to incorporate any applicable findings into its testimony. However, the Department expects the audit to be finalized in time for the Department to review before submitting testimony, if the testimony filing due date is extended two weeks as requested in this letter.

3) Fully-prepared testimony

The Department of Energy has worked hard to thoroughly review Eversource's filing in this matter and develop a fully-informed position on Eversource's request to increase its distribution rates. Since the October 14, 2024, procedural schedule was submitted, the parties have engaged in significant discovery and technical sessions. The Department has worked hard to review all information provided by Eversource, to submit follow-up data requests, and to carefully consider the information provided in the context of Eversource's requests in this filing. Like the Commission, this is the Department's first experience reviewing a performance-based ratemaking ("PBR") plan of the kind proposed by Eversource. Due to that, as well as the significance of Eversource's rate requests and the significant volume of information to review, the Department wants to avoid rushing the preparation of its testimony.

The below requested schedule still allows the same number of days for settlement discussions in this matter, thus maintaining the amount of time the parties originally agreed on for settlement discussions and filing. The schedule also allows for two weeks

between the due date for filing a settlement and the date of the first hearing. And, as stated, the Department proposes to maintain the final hearing dates scheduled by the Commission.

The Department has reached out to the other parties regarding their positions on a two-week extension of intervenor testimony as well as the below proposed schedule. The OCA, CENH, CPCNH, Mary Ellen O’Brien Kramer, LCC, Walmart, NECTA, the Large Customer Consortium, and AARP have all indicated their assent. Eversource has indicated that it does not assent due to scheduling conflicts. As of the filing of this letter, the Department has not received a response from CLF, Aleksandar Milosavljevic-Cook, or Standard Power.

The revised procedural schedule proposed by the Department is as follows – the original dates appear on the left, while the dates that are proposed to be changed from the existing approved schedule are in bold:

Approved Date	Proposed Date	Event
01/24/2025	02/07/2025	DOE, OCA and Intervenor Testimony
01/29/2025	02/19/2025	Eversource DRs to Intervenors and Other Parties'/Intervenors' DRs to each other.
02/03/2025	02/25/2025	Settlement Conference - 10 am to 4 pm Remote
02/05/2025	02/26/2025	Settlement Conference - 10 am to 4 pm Remote
02/07/2025	02/27/2025	Settlement Conference - 1 pm to 4 pm Remote
02/11/2025	03/05/2025	Intervenor DR Responses to Eversource and other parties due
02/11/2025	03/04/2025	Settlement Conference - 10 am to 4 pm Remote
02/12/2025	03/05/2025	Settlement Conference - 10 am to 4pm Remote
02/13/2025	03/06/2025	Settlement Conference - 1 pm to 4 pm Remote
02/18/2025	03/11/2025	Deadline for Parties file Settlement Agreement (if reached)
02/18/2025	03/11/2025	Eversource Rebuttal Testimony (if needed)
02/25/2025	03/17/2025	Tech Session on Rebuttal Testimony - 10 am to 4 pm Remote
03/11/2025	03/18/2025	Final Prehearing Conference
	03/25/2025	Hearing on the Merits
	03/26/2025	Hearing on the Merits
	03/27/2025	Hearing on the Merits
	04/03/2025	Hearing on the Merits
	04/08/2025	Hearing on the Merits
	04/09/2025	Hearing on the Merits

The Department takes seriously its role in investigating matters regarding the utilities it regulates, and in developing a record that is useful to the Commission as the Commission undertakes its statutory duty to act as arbiter between the interests of the customers and the interests of the regulated utilities and its duty to determine whether rates proposed are just and reasonable.⁶ The Department does not take lightly the task of testifying regarding the utilities it regulates, and does not take lightly its role in preparing a complete record for consideration by the Commission.⁷ The Department believes that an additional two weeks to prepare its testimony is necessary time for the development of the Commission's decisional record, and thus requests that the Commission grant the Department's request.⁸

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

Sincerely,

/s/ Alexandra K. Ladwig

Alexandra K. Ladwig
Staff Attorney/Hearings Examiner
Department of Energy

Cc: Service List

⁶ See RSA 363:17-a, 374:3, 374:4, and 12:P, VI; see also Docket No. DE 24-070, Tab 57, Procedural Order Re: Eversource Motion to Modify Procedural Schedule (September 27, 2024) at pp. 3-4

⁷ See RSA 12:P, IV

⁸ See Docket No. DE 24-070, Tab 11, Order No. 27,029 Commencement of Adjudicative Proceeding (June 28, 2024) at p. 7

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