

**STATE OF NEW HAMPSHIRE
BEFORE THE PUBLIC UTILITIES COMMISSION
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY
POLE PLANT ADJUSTMENT MECHANISM RATE
OCTOBER 1, 2024 THROUGH SEPTEMBER 30, 2025**

Docket No. DE 24-0xx

**DIRECT TESTIMONY OF YI-AN CHEN, SCOTT R. ANDERSON,
JOSHUA D. LETOURNEAU, AND IAN J. FARLEY**

August 1, 2024

1 **I. INTRODUCTION**

2 **Q. Ms. Chen, please state your name, business address and position.**

3 A. My name is Yi-An Chen. My business address is 780 North Commercial Street,
4 Manchester, New Hampshire. I am employed by Eversource Energy Service Company as
5 the Director of Revenue Requirements for New Hampshire and, in that position, I support
6 Public Service Company of New Hampshire d/b/a Eversource Energy (“PSNH,”
7 “Eversource,” or the “Company”) regarding revenue and rate-related matters.

8 **Q. Ms. Chen, please provide your educational and professional background.**

9 A. I received a Bachelor of Business Administration in International Business degree from
10 Soochow University in Taipei, Taiwan and Master’s Degree in Business Administration
11 from Clark University. I joined Eversource last year, having more than 15 years of prior
12 experience with National Grid USA in various roles of increasing responsibility including
13 Regulatory and Compliance, Finance and Performance Management, Program and Project
14 Management, and Reporting and Analysis.

1 **Q. What are your principal responsibilities in your current position?**

2 A. I am currently responsible for the coordination and implementation of revenue requirement
3 calculations and regulatory filings for the Company, as well as the filings associated with
4 PSNH's default Energy Service ("ES"), Stranded Cost Recovery Charge ("SCRC"),
5 Transmission Cost Adjustment Mechanism ("TCAM"), System Benefits Charge ("SBC"),
6 Regulatory Reconciliation Adjustment ("RRA") mechanism, Pole Purchase Adjustment
7 Mechanism ("PPAM"), and Base Distribution Rates.

8 **Q. Ms. Chen, have you previously testified before the New Hampshire Public Utilities**
9 **Commission (the "Commission")?**

10 A. Yes, I provided testimony before the Commission in support of the Company's ES rate
11 filing in Docket Nos. DE 23-043 and DE 24-046; SBC Lost Base Revenue rate filing in
12 Docket No. DE 23-080; SCRC rate filing in Docket No. DE 23-091, RRA rate filing in
13 Docket No. DE 24-035, and, most recently, the Request for Change in Base Distribution
14 Rates in Docket No. DE 24-070.

1 **Q. Mr. Anderson, please state your name, business address and position.**

2 A. My name is Scott R. Anderson. I am employed by Eversource Energy Service Company
3 as the Manager of Rates in New Hampshire. In this position, I provide support to the
4 Company. My business address is 780 North Commercial Street, Manchester, New
5 Hampshire.

6 **Q. Mr. Anderson, what are your responsibilities in your current position?**

7 A. As the Manager of Rates, I am responsible for activities related to rate design, cost of
8 service, and rates administration for the Company.

9 **Q. Mr. Anderson, please provide your educational and professional background.**

10 A. I received a Bachelor of Arts degree in mathematics from Hartwick College in 1986. In
11 September 1986, I began my utility career in Rates and Regulatory Affairs for Central
12 Vermont Public Service Corporation (“CVPS”) and rose to the position of Manager of
13 Rates. In 2012, CVPS merged with Green Mountain Power Corporation (“GMP”), and I
14 continued as Manager of Rates. In December 2022, I retired from GMP and assumed my
15 current position with Eversource.

16 **Q. Mr. Anderson, have you previously testified before the Commission?**

17

18 A. Yes. I have testified in several rate-related dockets during 2023 and 2024.

1 **Q. Mr. Letourneau, please state your name, business address and position.**

2 A. My name is Joshua D. Letourneau. I am employed by Public Service Company of New
3 Hampshire d/b/a Eversource Energy as Manager, Distribution Projects and Operations
4 Support. My business address is 13 Legends Drive, Hooksett, New Hampshire.

5 **Q. Mr. Letourneau, what are your responsibilities in your current position?**

6 A. As the Manager, Distribution Projects and Operations Support, I am responsible for leading
7 development and execution of distribution capital projects and customer operations support
8 team, collaborating with internal and external stakeholders. I oversee and am responsible
9 for all operational, financial, and administrative requirements for distribution projects and
10 customer operations support.

11 **Q. Mr. Letourneau, please provide your educational and professional background.**

12 A. I received a Bachelor's Degree in Economics from Keene State College. Since joining
13 the Company, I have worked for five years with the Public Service Company of New
14 Hampshire Operations Group and 16 years in total.

15 **Q. Mr. Letourneau, have you previously testified before the Commission or other
16 regulatory bodies?**

17
18 A. No, I have not.

19 **Q. Mr. Farley, please state your name, business address and position.**

1 A. My name is Ian J. Farley. I am employed by Eversource Energy Service Company as the
2 Manager of Vegetation Management in New Hampshire. My business address is 780 North
3 Commercial Street, Manchester, New Hampshire.

4 **Q. Mr. Farley, what are your responsibilities in your current position?**

5 A. As the Manager of Vegetation Management, I am responsible for activities related to the
6 administration, oversight, stakeholder interface and contractor relations for the Eversource
7 New Hampshire vegetation management program.

8 **Q. Mr. Farley, please provide your educational and professional background.**

9 A. I received a Bachelor of Science degree in Forest Operations Science from the University
10 of Maine, Orono, Maine. Since joining the Company, I have worked for over eight years
11 with the Eversource Vegetation Management Group.

12 **Q. Mr. Farley, have you previously testified before the Commission or other**
13 **regulatory bodies?**

14
15 A. Yes, I have submitted testimony in the most recent RRA filing in Docket No. DE 24-035.

16 **Q. What is the purpose of your joint testimony?**

17 A. The purpose of our joint testimony is to explain the various cost components included in
18 the Company's second pole plant adjustment mechanism ("PPAM") filing¹ and to

¹ Eversource's first PPAM recovery filing was submitted in Docket No. DE 23-075 and approved by the Commission in Order No. 26,892 (September 29, 2023).

1 summarize the post-CCI transaction impacts on the Company’s operations. On November
2 18, 2022, the Commission issued Order No. 26,729 in Docket No. DE 21-020 authorizing
3 the Company to purchase certain utility pole assets from Consolidated Communications of
4 Northern New England, LLC d/b/a Consolidated Communications (“Consolidated” or
5 “CCI”) (the “Order”). The Order also authorized the Company to recover certain costs
6 related to the transaction through the PPAM; specifically, the Order authorized the
7 Company to recover costs and expenses associated with operation and maintenance
8 (“O&M”) of the transferred poles, pole replacement and inspection costs, and vegetation
9 management expenses. These costs are partially offset by the incremental pole attachment
10 revenues Eversource receives as a result of becoming the sole owner of the transferred
11 poles. On May 1, 2023, the transaction with Consolidated was finalized and on May 12,
12 2023, the Company submitted a compliance tariff to implement the PPAM. Our testimony
13 also provides cost allocation, rate design and bill impacts, and an explanation of how the
14 PPAM will be billed to the Company’s customers. In addition, our testimony provides a
15 summary and status update of the various PPAM Tariff elements related to completion and
16 close of the CCI transaction, which includes the cost and operational experience for the
17 post-close period (May 1, 2023 to December 31, 2023) related to (i) pole
18 replacement/transfer, (ii) pole inspections, (iii) pole attachment revenues, and (iv)
19 vegetation management.

20 **Q. What is Eversource proposing in Docket No. DE 24-070 Request for Base Distribution**
21 **Rate Change regarding the PPAM mechanism going forward?**

1
2 A. Eversource has proposed in Docket No. DE 24-070, as part of its Performance Based
3 Ratemaking (PBR) proposal, that it will move the PPAM costs to base distribution rates to
4 consolidate those expenses and promote efficiency. That proposal is currently under
5 Commission and stakeholder review in the rate case docket.

6 **Q. Based on the proposal in Docket No. DE 24-070, when will the final reconciliation**
7 **through the PPAM occur?**

8 A. The PPAM will be required to remain in effect to reconcile the actual costs incurred
9 through July 31, 2024, for the period prior to temporary base distribution rates taking effect
10 in that proceeding for the PPAM components listed above. Therefore, the 2025 PPAM rate
11 filing proposed to be submitted on August 1, 2025 for rates effective October 1, 2025² will
12 recover calendar year 2024 expenses for the January 2024 to July 2024 time period should
13 the PBR proposal as described in DE 24-070 is approved and will include any prior-period
14 (over)/under recoveries. The Company will submit a final reconciliation of the PPAM on
15 August 1, 2026 for rates effective October 1, 2026³ to reflect any prior period (over)/under
16 recovery.

17 **II. OVERVIEW**

18 **Q. Ms. Chen, what portions of the testimony are you responsible for?**

^{2&3} In Docket DE 24-070, the Company inadvertently included May 1 of 2025 and 2026 as the next PPAM filing dates and August 1 of 2025 and 2026 as the next PPAM rate effective dates, respectively.

1 A. My testimony explains the various cost components included in its second annual PPAM
2 filing. As discussed above, the Commission's Order approved recovery of certain costs
3 associated with the transaction between Eversource and Consolidated through the PPAM:

4 *We find that it is in the public interest for Eversource to recover incrementally*
5 *higher vegetation management, pole replacement, and inspection costs incurred on*
6 *and after February 10, 2021 through the PPAM if Eversource consummates the*
7 *Purchase Agreement. We also give weight to the fact that the expenses that are*
8 *proposed to be included in the PPAM are actual expenses Eversource has incurred or*
9 *will incur in its normal pole maintenance operations, will be subject to prudence*
10 *reviews by the Commission, and will be netted against any and all incrementally*
11 *higher pole attachment revenues.....the Commission accepts the PPAM as proposed*
12 *by Eversource, and allows the PPAM to operate until the resolution of Eversource's*
13 *next full rate case.*⁴
14

15 The revenue requirement for the second PPAM is set forth in Attachment
16 YC/SRA/JDL/IJF-1. The PPAM cost components included in this filing for Commission
17 approval as noted above include expenses and revenues for the period from January 1, 2023
18 through December 31, 2023.

19 **Q. Mr. Anderson, what portion of the testimony are you responsible for?**

A. I provide an overview for how the PPAM rate will be billed to customers. I also present
bill impacts and tariff changes reflecting the proposed PPAM revenue requirement and rate
presented here. The bill impacts and tariff changes encompassing all rate changes are
provided in Attachments YC/SRA/JDL/IJF-6 and YC/SRA/JDL/IJF-7.

20 **Q. Has the proposed PPAM rate been calculated consistent with the PPAM Tariff and**
21 **Commission Order No. 26,729 issued in Docket No. DE 21-020?**

⁴ Order at 17-18.

1 A. Yes, the proposed PPAM rate has been prepared consistent with the terms of the PPAM
2 Tariff and Order No. 26,729.

3 **III. PPAM ATTACHMENTS**

4 **Q. Please summarize the Company's request.**

5 A. Eversource's calculation of the proposed overall average PPAM rate for effect on October
6 1, 2024 is 0.093 cents per kilowatt-hour (kWh), which represents an overall average
7 decrease to current rates of 0.5%. As described in more detail in the testimony below, the
8 proposed overall average PPAM rate decrease is driven by this being the second PPAM
9 rate filing under the terms of the PPAM Tariff and Order No. 26,729. In this filing, unlike
10 the first PPAM filing submitted last year, the Company seeks to recover or refund
11 reconciled costs as noted above for calendar year 2023, including pre- and post-CCI
12 acquisition transaction costs reflecting the actual (i) pre-close CCI vegetation management
13 reimbursements billed to CCI, and (ii) post-close pole replacement O&M transfer, pole
14 inspection, and vegetation management expenses, offset by pole attachment revenues
15 received by the Company.

16 **Q. Please describe the components of the PPAM and their application to this rate**
17 **adjustment request.**

18 A. The PPAM allows for the recovery or refund of certain costs resulting from the pole
19 acquisition transaction with Consolidated. In accordance with the PPAM Tariff, the
20 Company is seeking recovery of the (i) four elements incurred post-CCI transaction close

1 and, (ii) vegetation management costs billed to Consolidated for the pre-close period from
2 January 1, 2023 through December 31, 2023. That time period was prior to the
3 consummation of the Asset Transfer Agreement with Consolidated. PPAM costs
4 calculated and proposed for recovery in this proceeding include the following:

- 5 1. **Attachment YC/SRA/JDL/IJF-1** is a three-page summary that identifies
6 the recovery of the four PPAM cost components included in the PPAM as
7 described in the table below:
8

Page Number	Description
1	Overall PPAM revenue requirement and proposed average rate
2	Estimated reconciliation of the proposed overall PPAM mechanism for the forecast twelve-month period October 1, 2024 to September 30, 2025
3	Actual/Estimated reconciliation of the DE 23-075 PPAM mechanism for the current twelve-month period October 1, 2023 to September 30, 2024

1 2. **Attachment YC/SRA/JDL/IJF-2** is a one-page summary that identifies the
2 Pole Replacement O&M Transfer Costs incurred for the post-CCI close period
3 May 1, 2023 to December 31, 2023.

4 3. **Attachment YC/SRA/JDL/IJF-3** is a one-page summary that identifies the
5 Pole Inspection Costs incurred for the post-CCI close period May 1, 2023 to
6 December 31, 2023.

7 4. **Attachment YC/SRA/JDL/IJF-4** is a one-page summary that identifies the
8 Pole Attachment Revenue incurred for the post-CCI close period May 1, 2023
9 to December 31, 2023.

10 5. **Attachment YC/SRA/JDL/IJF-5** is a one-page summary that identifies the
11 Vegetation Management Costs⁵ incurred for the post-CCI close period May 1,
12 2023 to December 31, 2023, in addition to the pre-CCI close reimbursables
13 billed to CCI for the period January 1, 2023 to April 30, 2023.

14 6. **Attachment YC/SRA/JDL/IJF-6** is an eight-page exhibit that shows the
15 calculation of the PPAM rates by rate class. This exhibit also provides the
16 bill impacts for some typical-sized Rate R residential customers and other
17 class impacts due to the proposed PPAM rate.

18 7. **Attachment YC/SRA/JDL/IJF-7** is a 58-page exhibit that reflects the tariff
19 changes due to the proposed PPAM rate adjustment.

⁵ The Company also recovers vegetation management costs through its regulatory reconciliation adjustment (RRA) mechanism rate. The Company's RRA filings in 2021, 2022, 2023, and 2024 sought recovery of vegetation management costs incurred less vegetation management costs billed to CCI.

1 **Q. Mr. Letourneau, please describe the information in Attachments YC/SRA/JDL/IJF-**
2 **2 to YC/SRA/JDL/IJF-4. As a result of the pole acquisition transaction, has**
3 **Eversource recognized any efficiencies or burdens as the now sole owner of the former**
4 **CCI poles/assets?**

5 A. The post-CCI close transaction cost information recoverable through the PPAM shown in
6 Attachments YC/SRA/JDL/IJF-2 to YC/SRA/JDL/IJF-4 includes the following for the
7 post-close period May 1, 2023 to December 31, 2023:

- 8 • Attachment YC/SRA/JDL/IJF-2 provides pole replacement O&M transfer costs for
9 work performed on the acquired CCI poles as it relates to the following:

10 1. There were 147 poles identified in need of being replaced. This was
11 determined by utilizing the Eversource standard inspection program.

- 12 ▪ Instruments Mechanics and Labor (“IML”) drills were utilized to
13 determine the remaining life of this static list from CCI.

14 2. Once those 147 poles were verified to be at end of life, it was deemed
15 prudent for Eversource to replace and transfer the equipment to new
16 standard poles because those actions increase:

- 17 ▪ customer reliability by hardening the system; and
- 18 ▪ customer safety as those poles reached their end of life.

- 19 • Attachment YC/SRA/JDL/IJF-3 provides the cost of the CCI Zero Life Pole Pilot
20 Program.

21 1. There were 460 poles identified from the CCI acquisition deemed to have
22 “0” life remaining.

1 2. Eversource utilized its standard wood pole inspection process by utilizing

2 IML drill technology:

- 3 ▪ That technology provides real-time data by drilling a 1/10th bit into
4 the wooden pole to determine resistance, by completing four
5 separate incisions, Eversource obtains very accurate data on the
6 remaining life of the pole tested.

- 7 • Attachment YC/SRA/JDL/IJF-4 provides the revenue amount for (i) the quarterly
8 attachment fee billings as defined in the Asset Transfer Agreement, and (ii) the
9 third-party attachments taken over from CCI.

10 **Q. Mr. Letourneau, since the close of the pole acquisition transaction, has Eversource**
11 **realized any other efficiencies or burdens as the now sole owner of the former CCI**
12 **poles/assets?**

13
14 A. Eversource has been able to increase the reliability of service to customers through
15 identifying and replacing reject poles as follows:

- 16 1. Identified 1,011 reject poles (with varying degrees of severity) in need of
17 replacement.
18 2. Replaced and made safe 297 priority reject poles throughout the Eversource
19 service territory so far in 2024.
20 3. Now have the ability to identify and replace wooden poles in areas of the
21 service territory that were not under Eversource custodianship, allowing
22 Eversource to meet the current and growing expectations and needs of
23 electric customers.

1 **Q. Mr. Farley, please describe the information in Attachment YC/SRA/JDL/IJF-5.**

2 A. The post-CCI transaction cost information recoverable through the PPAM shown in
3 Attachment YC/SRA/JDL/IJF-5 includes the following for calendar year 2023:

- 4 • Reimbursable vegetation management costs billed to CCI for the pre-close period
5 January to April 2023;
- 6 • Scheduled Maintenance Trimming (SMT) costs incurred for the post-close period
7 May to December 2023 that would have been billed to CCI pre-transaction; and
- 8 • Hazard Tree Removal (HTR) costs incurred for the post-close period May to
9 December 2023 that would have been billed to CCI pre-transaction.

10 **Q. Mr. Farley, since the close of the pole acquisition transaction, has Eversource**
11 **recognized any efficiencies or burdens regarding its vegetation management program**
12 **as the now sole owner of the former CCI pole assets?**

13 A. Vegetation Management continues to assess the benefits that the PPAM mechanism has on
14 our program. While to date no specific efficiencies or burdens have been identified, the
15 mechanism has provided appropriate funding for a necessary hazard tree removal program.
16 Eversource continues to strategically assess and manage the widespread tree mortality that
17 is occurring across the Company's system. The PPAM funding has allowed the Company
18 to remain responsive and agile as it strives to provide safe, reliable, and dependable service
19 to electric customers.

20 **Q. Mr. Letourneau and Mr. Farley, please describe the drivers of the change in PPAM**
21 **cost for 2023 (estimated vs. actual) and provide a status update of the year-to-date**

1 **2024 PPAM costs that are shown in the table below.**

2 A. The drivers of the change in PPAM costs in 2023 (actual vs. estimate) and Year-to-Date
3 2024 are described and shown in table below:

4 2023 Actual vs. Estimate:

5 1. Pole replacement and O&M transfer Costs were lower than estimated due to
6 matriculation:

7 a) CCI had identified 460 poles to be “0” life:

8 ▪ CCI records had not captured normal replacement through capital
9 projects; storm restoration; customer or state requests.

10 b) Eversource based the estimate on the 460 poles so identified as in need of
11 replacement:

12 ▪ Only 147 ultimately needed to be replaced; and

13 ▪ That need for replacement was confirmed through the standard wood
14 pole inspection program, using IML drill technology.

15 2. Inspection Program Costs:

16 a) 2023 was the first year of updating the standard inspection program to utilize
17 IML drill technology:

18 ▪ The O&M forecast had been based on historical averages utilizing a
19 sound and bore method; and

- 1 ▪ That previously utilized method was more labor-intensive and costly.
- 2 b) The Company was able to obtain more extensive and accurate data using the
- 3 IML drill while keeping related operating costs lower.
- 4 3. Vegetation Management Costs: a key driver in New Hampshire continues to be the
- 5 notable decline of native tree populations due to insect and disease which affects the
- 6 ongoing hazard tree removal program. Additionally, Eversource has been monitoring
- 7 the effects of back-to-back wet spring weather compounded by more mild winters
- 8 that appear to be trending towards more vigorous tree canopy growth and ultimately a
- 9 higher risk for canopy failure due to the increased weight of new growth. Vegetation
- 10 along electric distribution facilities is becoming more vulnerable to weather/wind
- 11 events as it responds to more mild annual weather patterns. As a result, the HTR
- 12 program must expand tree assessments and profiling of high-risk trees to keep pace
- 13 with those environmental impacts.

14 Year-To-Date 2024 amounts:

- 15 1. The Company is on target for work completed to date:
- 16 a) Pole Inspections – have inspected 44,556 of 174,814 poles (or 25.5%).
- 17 b) Pole Transfers – identified a total of 1,011 reject poles:
- 18 ▪ 416 priority rejects:
- 19 • 264 locations have been made safe by utilizing internal

1 workforce or unit-priced contractors.

2 ▪ 595 reject poles to be addressed going forward.

3 c) Vegetation Management work is on track for both SMT and HTR programs.

4

Public Service Company of New Hampshire d/b/a Eversource Energy							
Pole Plant Adjustment Mechanism (PPAM) Revenue Requirement							
\$ in 000s							
			DE 23-075	DE 24-0xx		DE 25-0xx	
		NHPUC No. 10	Exhibit 7	Attachment		Preliminary	
Line #	Description	Tariff Reference	Estimated 2023	YC/SRA/JDL/IJF-1, Page 2, Lines 2 to 6	Actual 2023	Variance	YTD June 2024
	Col. A	Col. B	Col. C		Col. D	Col. E	Col. F
						Col. D - Col. C	
1	Pole Replacement O&M Transfer Costs	32A. (a)	\$ 377		\$ 259	\$ (118)	\$ 187
2	Inspection Program Costs	32A. (b)	809		44	(766)	441
3	3rd Party Pole Attachment Incremental Revenue Offset	32A. (c)	(5,228)		(4,690)	538	(4,181)
4	Vegetation Management Expense	32A. (d)	10,100		11,324	1,224	4,904
5	Total PPAM Recoverable Costs		\$ 6,059		\$ 6,936	\$ 878	\$ 1,351

5 **Q. Please describe how the average PPAM rate is calculated.**

6 A. Attachments YC/SRA/JDL/IJF-1 to YC/SRA/JDL/IJF-6 provide calculations of the total
7 PPAM cost components within the PPAM rate mechanism and a forecast of the monthly
8 recovery mechanism for the period from October 1, 2024 through September 30, 2025.
9 The PPAM rate is an average rate based on the total recoveries of the PPAM cost
10 components for the period from January 1, 2023 through December 31, 2023, in
11 accordance with the CCI pole acquisition and PPAM Tariff approved by the Commission
12 in Order No. 26,729, as noted above. The table below provides the PPAM Rate in cents
13 per kWh. The average PPAM rate is not directly used for customer billing; instead, each
14 rate class has individual PPAM rates as discussed below.

1

Description	DE 23-075 Approved PPAM Rate (cents per kWh) per Order No. 26,892	DE 24-0xx Proposed PPAM Rate (cents per kWh)	PPAM Rate Change (cents per kWh)
Total Average PPAM Rate	0.194	0.093	(0.101)

2 **Q. Did the Company include Accumulated Deferred Income Taxes (ADIT) in its**
3 **calculation of carrying charges as part of this filing?**

4 A. No. In compliance with the PPAM Tariff as approved in Order No. 26,729, ADIT is
5 not included in the carrying charge calculation of PPAM over- or under-recovery.

6 **Q. How has the Company allocated the total average PPAM rate to each rate class?**

7 A. The Company has allocated the total average PPAM rate to each rate class using the same
8 allocation methodology used to allocate prior step rate adjustments and the RRA
9 Mechanism. More specifically, the Company calculated an equal percentage increase to
10 each rate class and set rates using the target revenue increase for each rate class.
11 Attachment YC/SRA/JDL/IJF-6, page 3 provides the revenue allocation to each rate class,
12 which is based on current Distribution Revenue, and page 4 calculates the kWh or kW rates
13 for each rate class.⁶ The proposed rates are summarized on Attachment YC/SRA/JDL/IJF-
14 6, page 1.

⁶ Note that new Primary General Delivery Service Rate EV-2 rates are a function of Primary General Delivery Service Rate GV. The Company used the same conversion method for the Rate EV-2 PPAM rate that was approved for converting Rate GV Base Distribution rates and the Regulatory Reconciliation Adjustment Mechanism rate to EV- 2 rates.

1 **Q. Has the Company included rate exhibits and calculations of the customer bill**
2 **impacts for the proposed October 1, 2024 PPAM rate change?**

3 A. Yes, this detail is provided in Attachment YC/SRA/JDL/IJF-6:

4 1. Page 5 provides a comparison of current residential rates effective August 1, 2024, as
5 compared to proposed rates effective October 1, 2024, for a 550 kWh monthly bill, a 600
6 kWh monthly bill, and a 650 kWh monthly bill. The proposed residential Rate R PPAM
7 creates a \$0.85 bill reduction for a 600 kWh customer, resulting in a total bill reduction of
8 0.6%.

9 2. Page 6 provides a comparison of residential rates effective October 1, 2023, as
10 compared to proposed rates effective October 1, 2024, for a 550 kWh monthly bill, a 600
11 kWh monthly bill, and a 650 kWh monthly bill.

12 3. Page 7 provides the average impact of each change on bills for all rate classes by rate
13 component on a total bill basis, excluding energy service.

14 4. Page 8 provides the average impact of each change on bills for all rate classes by rate
15 component on a total bill basis, including energy service.

16 **Q. Has the Company provided updated tariff pages as part of this filing?**

17 A. Yes. Updated tariff pages are provided in Attachment YC/SRA/JDL/IJF-7. The
18 Company requests approval of the PPAM rates shown on those tariff pages.

1 **Q. Will the PPAM appear as a separate line item on customers' bills?**

2 A. With limited exceptions, yes. As described last year, the Company has two billing
3 platforms: C2 and Large Power Billing ("LPB"). Nearly all of the Company's
4 customers, including all residential customers, are billed using the newer C2 platform.
5 Certain large and streetlight customers are billed using the older LPB platform; those
6 customers comprise less than 1% of the Company's customer base. For the Company's
7 customers billed using the C2 platform, the PPAM will appear as a separate line item.
8 For the Company's customers billed using the older LPB platform, the PPAM charge will
9 be combined with the RRA charge and presented as one single line item on customers'
10 bills. The line item on the bill will clearly identify the charge as "REGULATORY
11 RECONCILIATION ADJ. AND POLE PLANT ADJ. CHARGES". For Outdoor
12 lighting billing, the line item will identify the charge as "REGULATORY
13 RECONCILIATION ADJ. AND POLE PLANT ADJ. OUTDOOR LIGHTING
14 CHARGES." Despite the need to combine the charges for presentation purposes on the
15 LPB customer bills, all RRA and PPAM charges will be individually allocated and
16 accounted for entirely separate from each other. The PPAM rate will continue to be
17 accounted for separately, with the annual rate reconciliation and revenue requirement
18 calculation performed separate and distinct from the RRA rate reconciliation and revenue
19 requirement mechanism for all customers.

20 **Q. Did the Company consider ways to display a separate PPAM line item on bills for all**
21 **customers?**
22

1 A. Yes. The Company assessed the necessary changes to the LPB system to accommodate a
2 new charge and associated line item. However, due to the technology and requirements
3 needed to make changes to the LPB system, the costs associated with such changes far
4 outweighed the benefits to the impacted customers. Therefore, the proposed billing
5 method is identical to the method used to bill PPAM rates last year approved by the
6 Commission in DE 23-075.

7 **IV. CONCLUSION**
8

9 **Q. Does Eversource request Commission approval of the PPAM rates billed to customers**
10 **by a specific date?**

11
12 A. Yes, Eversource requests final approval of the PPAM rates by September 22, 2024, to
13 implement the new rates for service rendered on and after October 1, 2024.

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

15 A. Yes, it does.