

**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

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

Docket No. DE 24-112

**Updated Petition For Adjustment of Stranded Cost
Recovery Charge for Effect on February 1, 2025**

Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “the Company”) hereby updates its petition to the New Hampshire Public Utilities Commission (“Commission”) for approval to adjust its Stranded Cost Recovery Charge (“SCRC”) for effect on February 1, 2025, pursuant to Puc 202.01(a) and Puc 203.06, and also pursuant to the requirements of RSA 374-F:3 and RSA 369-B:3, the Agreement to Settle PSNH Restructuring (Revised and Conformed) in Docket No. DE 99-099 (“Restructuring Settlement”), the 2015 Public Service Company of New Hampshire Restructuring and Rate Stabilization Agreement in Docket No. DE 14-238 (the “2015 Agreement”), and Order No. 26,099 (January 30, 2018) in Docket No. DE 17-096. Consistent with Order No. 26,658 (July 28, 2022) and Order No. 26,768 (January 30, 2023), the SCRC is now adjusted on an annual basis, effective as of February 1 each year. In support of this Updated Petition, Eversource states the following:

1. The SCRC was established under the Restructuring Settlement and originally capped at an average of 3.40 cents per kilowatt hour (“kWh”). Once the Part 3 Stranded Costs were fully collected, the Restructuring Settlement provided that the SCRC would be set on a forecasted basis every six months and would include any over- or under-recovery of Part 1 and Part 2 stranded costs from the previous period.
2. In Order No. 24,641 (June 30, 2006), the Commission approved the reduction of the SCRC rate beginning July 1, 2006 to reflect the complete recovery of Part 3 Stranded Costs. The Part 1 costs were fully amortized in 2013 and the final disposition of the funds relating to the Part 1 costs

was the subject of Order No. 25,815 (September 18, 2015), which order, among other things, permitted the Company to recoup certain of those funds. When the recoupment was completed in 2016, these initial Part 1 costs were completely recovered.

3. Consistent with the 2015 Agreement, which was approved by the Commission along with a related litigation settlement in Order No. 25,920 (July 1, 2016), Eversource transitioned to procuring and providing Energy Service (“ES”) for customers on a competitive basis, rather than through its traditional method, and a settlement agreement relating to competitive procurement was approved by Order No. 26,092 (December 29, 2017) in Docket No. DE 17-113. In relevant part, that settlement provided that Eversource would adjust its SCRC on February 1 and August 1 of each year coincident with the changes to the ES, following an initial adjustment on April 1, 2018.

4. On February 16, 2018, in Docket No. DE 18-023, Eversource submitted a petition and supporting documentation to adjust its SCRC consistent with the settlement approved in Order No. 26,092. Consistent with the 2015 Agreement, the SCRC proposed in that filing contained elements that either had not been included in the SCRC to that point, or that were similar to elements that had previously been included, in particular: costs and market revenues associated with existing Independent Power Producers and the Burgess and Lempster Power Purchase Agreements; as well as estimated class-specific Rate Reduction Bond charges associated with the then-pending securitization of stranded costs. That petition was approved by the Commission in Order No. 26,116 (March 29, 2018). Thereafter, Eversource has submitted information to update the SCRC to include additional elements to reflect the completion of securitization and other changes.

5. Additionally, on January 31, 2020, the Commission issued Order No. 26,331 in Docket No. DE 19-142, approving an agreement to adjust the power purchase agreement (“PPA”) between Eversource and Burgess BioPower to implement the terms of 2018 N.H. Laws, Chapter 340, “AN ACT requiring the public utilities commission to revise its order affecting the Burgess BioPower plant in Berlin,” As part of that adjustment, the forecasted over-cap costs as defined in the PPA would be recovered in current rates rather than waiting until the end of the operating year. Recovery of those costs was accomplished through the “Chapter 340 Adder” in the SCRC.

6. On December 15, 2020, the Commission issued Order No. 26,433 in Docket No. DE 19-057, approving a settlement agreement relating to Eversource’s base distribution rates. As part of that settlement, certain environmental remediation costs were removed from Eversource’s distribution rates and included within the SCRC. Those costs are included within this filing. Also on December 15, 2020, Eversource filed a settlement agreement in Docket No. DE 20-136 pertaining to the recovery mechanism and rate treatment of various net metering costs. Pursuant to that settlement, which the Commission approved by Order No. 26,450 (January 29, 2021), Eversource includes certain net metering and group host costs for recovery within the SCRC.

7. The SCRC is now adjusted on an annual basis effective on February 1 of each year, rather than semi-annually, as approved by the Commission in Order No. 26,658 (July 28, 2022) and Order No. 26,768 (January 30, 2023).

8. Pursuant to Order No. 27,053 (August 30, 2024) and Order No. 27,066 (October 16, 2024) issued in Docket No. DE 23-091, the Chapter 340 Adder was terminated as of November 1, 2024 and an interim rate adjustment was implemented as of November 1, 2024 that was intended to eliminate any further collection of revenue related to the Chapter 340 Adder while transferring the remaining balance of under-recovered Burgess PPA-related costs to SCRC Part 2

cost recovery, but subject to equal cents per kWh recovery from all customer rate classes rather than using the percentage allocations used for other Part 2 cost components.

9. This filing also includes the Company’s proposal to integrate the “[Energy Service Rate] Reconciliation Adjustment Factor charges into collection through the SCRC to be filed thirty (30) days in advance of the Company’s next SCRC petition filing,” as directed by the Commission in Order No. 27,022 (June 20, 2024) issued in Docket No. DE 24-046. In Order No. 27,022, the Commission “agree[d] with the Company that having the ES Reconciliation Adjustment Factor costs assessed through the SCRC could be an equitable and reasonable approach, due to the “backstop” nature of [the Energy Service rate].” The rationale for the transfer of those over- and under-recoveries from the Energy Service rate to the SCRC rate is further discussed in the accompanying updated joint testimony of Ashley N. Botelho and Edward A. Davis and is shown in the related Attachment ANB/EAD-13.

10. The Energy Service Reconciliation Adjustment Factor to be integrated into the SCRC includes balances for both the Energy Service Large Customer Group and the Energy Service Small Customer Group, although only the previously-deferred Large Customer Group under-recovery amount is available for transfer from the Energy Service rate to the SCRC rate at this time. The Company proposes that the new Energy Service Reconciliation Adder be recovered from all distribution customers through the SCRC, as described in the updated joint testimony. The Company further proposes that the relevant over- or under-recoveries in the Energy Service Reconciliation Adjustment Factor be determined in connection with the Energy Service rate adjustment filing in June 2025, and then be deferred and accrue carrying charges until they are included in the SCRC rate adjustment effective on February 1, 2026.

11. The pre-filed updated joint testimony and attachments provided with this Updated Petition

support a change in the SCRC rates applicable to the Company’s various rate classes. The change in the proposed SCRC rates for effect on February 1, 2025, as compared to the current rates, is due primarily to a decrease in the Part 1 RRB rates effective February 1, 2025 and Rate Adders based on (i) the higher RGGI Auction proceeds benefiting the State of New Hampshire from the recent quarterly auctions, (ii) elimination of the Ch. 340 Adder effective November 1, 2024, and (iii) the full amortization of the Environmental Remediation balance as of January 31, 2025. The SCRC rate decrease is somewhat offset by the projected net increase in Part 2 costs as noted below: (i) an increase in Part 2 Above Market IPP and PPA costs of \$14.6 million; (ii) an increase in other Part 2 costs of \$13.7 million, and (iii) an increase due to the change in prior period over-recovery, as compared to the current period over-recovery, which amounts to \$19.0 million. The cumulative impact of these changes is an increase in the total SCRC Part 1 and Part 2 rates, excluding the Adders.

12. The updated testimony and attachments supporting this Updated Petition contain Eversource’s proposed SCRC rates for the Company’s customer classes for effect on February 1, 2025. The updated February 1, 2025 average SCRC rates for Part 1 and Part 2 only, excluding the RGGI Refund, Environmental Remediation, Net Metering, and proposed Energy Service Reconciliation adder amounts, as provided in this filing, are as follows:

Rate Class	Current Rate (cents per kWh)	Proposed Rate (cents per kWh)	Change (cents per kWh)
Rate R	0.571	1.049	0.478
Rate G	0.574	1.133	0.559
Rate GV	0.490	0.909	0.419
Rate LG	0.288	0.369	0.081
Rate OL/EOL	0.799	1.625	0.799

The proposed February 1, 2025 SCRC rate adders provided in this filing are shown below:

Rate Adder	Current Rate (cents per kWh)	Proposed Rate (cents per kWh)	Change (cents per kWh)
RGGI Refund	(0.398)	(0.797)	(0.399)

Environmental Remediation	0.065	0.001	(0.064)
Net Metering	0.695	0.481	(0.214)
Energy Service Reconciliation	0.000	0.093	0.093
Total Adders	0.362	(0.222)	(0.584)

The total proposed February 1, 2025 SCRC rates (including adders) by rate class provided in this filing are shown below:

Rate Class	Current Rate (cents per kWh)¹	Proposed Rate (cents per kWh)	Change (cents per kWh)
Rate R	0.933	0.827	(0.106)
Rate G	0.936	0.911	(0.025)
Rate GV	0.852	0.687	(0.165)
Rate LG	0.650	0.147	(0.503)
Rate OL/EOL	1.161	1.403	0.242

As stated in the updated joint testimony of Ms. Botelho and Mr. Davis, Eversource is now proposing final specific SCRC rates and separate adders using updated current data.

13. As also explained in Ms. Botelho's and Mr. Davis's updated joint testimony, the Company is proposing annual adjustments to all components of the SCRC for effect February 1, 2025, while also retaining the ability for interim adjustments to the Rate Reduction Bond charges, as needed, consistent with Order No. 26,658 (July 28, 2022) and Order No. 26,768 (January 30, 2023), and as reflected in the language of the applicable tariff provisions which are set forth in Attachment ANB/EAD-17.

WHEREFORE, Eversource respectfully requests that the Commission approve this Updated Petition no later than January 27, 2025, so rates may become effective February 1, 2025, and order such further relief as may be just and equitable in the circumstances.

¹ Rates approved in Docket No. DE 23-091, Order Nos. 27,053 and 27,066 (October 30, 2024).

Respectfully submitted,

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
D/B/A EVERSOURCE ENERGY

By: /s/ **David K. Wiesner**

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Dated: January 10, 2025

CERTIFICATE OF SERVICE

I hereby certify that, on January 10, 2025, I caused the attached to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

/s/ David K. Wiesner

David K. Wiesner