

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 22-030

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Petition for Third Step Adjustment

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On May 2, 2022, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition requesting that the Commission approve a third step adjustment to recover the costs of plant placed in service during calendar year 2021. In support of its petition, Eversource filed the following: the combined direct testimony of Russel D. Johnson, Eversource Energy Service Company's (EESC) Director of Distribution Engineering, David L. Plante, EESC Manager of New Hampshire Project Management and Construction, and James J. Devereaux, EESC Manager of Budgets and Investment Planning; the combined direct testimony of Marisa B. Paruta, EESC Director of Revenue Requirements for Connecticut and New Hampshire, and Edward A. Davis, EESC Director of Rates; and related attachments. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at

<https://www.puc.nh.gov/regulatory/Docketbk/2022/22-030.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

In Docket No. DE 19-057, Eversource's most recent base rate case, the Commission approved the settlement agreement filed on October 9, 2020 (Settlement Agreement), which authorized Eversource to recover three step increases for plant placed in service in calendar years 2019, 2020, and 2021. See Order No. 26,433, at

21, 23 (December 15, 2020). The Settlement Agreement placed a \$9.3 million cap on the third step adjustment, relating to certain capital projects placed in service during calendar year 2021, which would take effect on August 1, 2022. Settlement Agreement, Subsection 10.1(c). In addition, the Settlement Agreement provided that all step adjustments would be based on actual costs, if they were less than the budgeted amounts. Subsection 10.3(e). It required all step increases to be subject to audit and reconciliation based on the results of the audit. Subsection 10.4.

The Settlement Agreement required Eversource to submit its third step adjustment request by May 1, 2022. Subsection 10.3. In its May 2 filing, Eversource requested a third step adjustment in the amount of \$9.3 million for effect with service rendered on and after August 1, 2022. According to Ms. Paruta's and Mr. Davis's testimony, if this request for a step adjustment were approved, a residential customer using 650 kilowatt-hours per month would see an increase in monthly bills of \$1.09 or 0.75 percent. Direct Testimony of Marisa B. Paruta and Edward A. Davis, April 29, 2022, at Bates Page 44.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether Eversource's third step adjustment is consistent with the terms of the Settlement Agreement; whether the capital projects placed in service during calendar year 2021 were prudent, and used and useful, as required by RSA 378:28; whether Eversource appropriately calculated the proposed revenue requirement to recover the capital expenditures related to the capital projects placed in service in calendar year 2021; and whether, if the request for a third step adjustment were approved, the resulting rates would be just and reasonable, as required by RSA 374:2, and RSA 378:5 and :7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the prehearing conference or hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 378:28, RSA 374:2, and RSA 378:5 and :7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on July 19, 2022, at 1:30 p.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is,

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Eversource and any other parties on the service list, on or before July 5, 2022. The petition shall state the

facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before July 15, 2022; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that in order to have the hearing on the scheduled date, the New Hampshire Department of Energy (DOE) shall file a report from DOE Audit Division Staff showing the results of an audit of the costs proposed for recovery in this proceeding by July 12, 2022; and it is


FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

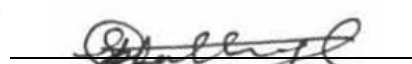
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, Eversource shall notify all entities and individuals desiring to be heard at this hearing

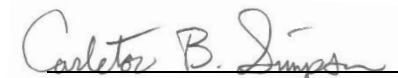
by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before June 22, 2022. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this ninth day of June, 2022.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket# : 22-030

Printed: 6/9/2022

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