

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 19-108**

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

**Petition for Adjustment to Stranded Cost Recovery Charge Rate**

**ORDER OF NOTICE**

On December 5, 2019, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a petition for an adjustment to its stranded cost recovery charge (SCRC) rate for effect on a service-rendered basis on February 1, 2020. Eversource is currently billing an average SCRC rate of 1.882 cents per kilowatt-hour (kWh) for customers in its residential Rate R class. In this filing, Eversource filed a preliminary residential SCRC rate of 1.245 cents per kWh. Eversource stated it would update the SCRC rate prior to the hearing on this matter.

Eversource made this filing consistent with the requirements of the 2015 Restructuring Settlement Agreement approved by the Commission in Order No. 25,920 (July 1, 2016). Pursuant to this Agreement, Eversource divested its generation assets and now uses a competitively bid energy service procurement process to set its energy service rate. In addition, Eversource was authorized to recover stranded costs associated with divestiture through a new SCRC mechanism. The SCRC mechanism consists of two parts. Part 1 costs are composed of divestiture costs that are securitized by Rate Reduction Bonds (RRBs) approved by the Commission in Order No. 26,099 (January 30, 2018). Pursuant to the RRB True-Up Mechanism approved in Order No. 26,099, the Part 1 RRB charge is periodically adjusted to ensure that RRB

charge collections are sufficient to meet RRB payment requirements. The true-up RRB charge is included in the calculation of the SCRC rate.

Part 2 costs consist of “ongoing” stranded costs, including the over-market value of energy purchased from independent power producers (IPPs) and the amortization of payments previously made for IPP buy-downs and buy-outs approved by the Commission. As part of divestiture, Part 2 incorporates new stranded costs, including the costs of retained power entitlements and any unsecuritized, prudently incurred decommissioning, environmental, or other residual costs or liabilities related to the generating facilities. Part 2 costs also include expenses associated with the Burgess BioPower and Lempster purchase power agreements previously approved by the Commission.

Pursuant to Order No. 25,664 (May 9, 2014), the SCRC charge is offset by Eversource applying a credit consisting of excess proceeds from Regional Greenhouse Gas Initiative (RGGI) auctions. Eversource’s preliminary calculation of the RGGI credit is a change from the current credit of 0.130 cents per kWh to a credit of 0.119 cents per kWh.

According to Eversource, the estimated decrease in SCRC rates is due to a reduction in Part 1 Costs of \$2.3 million, an increase of REC Revenue Transfers of \$8.0 million, a reduction in the one-time CSL Contract Settlement adjustment of \$3.4 million and an increase of prior period over recovery of \$12.1 million.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission’s website at <https://www.puc.nh.gov/Regulatory/Docketbk/2019/19-108.html>.

The filing raises, *inter alia*, issues related to whether the costs Eversource claims for recovery through the SCRC are consistent with the categories of eligible costs as set forth in the

2015 Settlement Agreement; whether Eversource appropriately calculated Part 2 SCRC costs; whether Eversource prudently incurred costs associated with divestiture; and whether the resulting rates are just and reasonable, as required by RSA 378:5 and RSA 378:7. Each party has the right to have an attorney represent the party at the party's own expense.

**Based upon the foregoing, it is hereby**

**ORDERED**, that a Hearing, pursuant to N.H. Admin. R., Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on January 21, 2020 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. R., Puc 203.15; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. R., Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than January 10, 2019, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before January 17, 2019; and it is

**FURTHER ORDERED**, that consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Eversource and the Office of the Consumer Advocate on or before January 14, 2020, such Petition stating the facts demonstrating how its 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 January 17, 2020.

By order of the Public Utilities Commission of New Hampshire this seventh day of  
January, 2020.



Debra A. Howland  
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, 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.



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