

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 15-248

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

2015 Least Cost Integrated Resource Plan

Order Granting Waivers of 2019 LCIRP Requirements

ORDER NO. 26,262

June 14, 2019

This order grants Eversource a partial waiver of its 2019 Least Cost Integrated Resource Plan filing requirement pursuant to RSA 378:38-a. The Commission directs the Company to file a more limited document consistent with Order No. 26,050 (August 25, 2017).

I. PROCEDURAL HISTORY

On April 9, 2019, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) filed a motion for waiver of its requirement under RSA 378:38-a to file an LCIRP by August 25, 2019. On April 18, 2019, the Office of the Consumer Advocate (OCA) filed an objection to Eversource's motion.

II. POSITIONS OF THE PARTIES

A. Eversource

In support of its waiver request, Eversource noted that the Staff Recommendation on Grid Modernization filed with the Commission on February 12, 2019, in Docket No. IR 15-296 (Staff Report) recommended that the utilities seek waivers of their respective LCIRP filing requirements, as follows:

The IDP [integrated distribution plan] will require approximately 12 months to develop, using the comprehensive LCIRP template with the incorporation of grid modernization initiatives plus an engaged stakeholder

process. Eversource and Liberty Utilities are required to file their next LCIRP to the Commission by August 25, 2019, and July 1, 2019, respectively, and Unitil is required to file its LCIRP by January 9, 2020. Staff recommends that, if necessary, the utilities request that the LCIRP filing requirement be waived by the Commission, pursuant to RSA 378:38-a, in order to enable the utilities to submit the more robust, integrated, and transparent IDPs.

Staff Report at 67.

Eversource noted further that RSA 378:38-a provides that “the Commission, by order, may waive for good cause *any requirement* under RSA 378:38, upon written request by a utility.” Eversource Motion at 2 (quoting RSA 378:38-a (emphasis added by Eversource)). Based on this statutory language, Eversource asserted that the Commission may waive the LCIRP filing and timing requirements contained in RSA 378:38.

Eversource claimed that good cause exists for such a waiver of its 2019 LCIRP filing, because the Staff Report recommends that the LCIRP in its current form be replaced by an IDP containing additional elements. Eversource pointed to testimony by the OCA in the Eversource 2015 LCIRP docket as evidence that the OCA supports the use of a Commission waiver under RSA 378:38-a to allow the Commission to make fundamental changes to the LCIRP process.

Eversource quoted Order No. 26,050, in which the Commission stated, “We acknowledge the OCA’s position that we should transform the LCIRP process, and we intend to continue to develop a new approach to the planning process for electric distribution utilities’ LCIRPs.” *Id.* at 3 (quoting Order No. 26,050 at 9 (August 25, 2017)). According to Eversource, “requiring the near-term filing of an LCIRP based upon the outmoded, and outgoing, approach would be wasteful.” *Id.* at 5. Eversource also noted its pending distribution rate case and indicated that the rate case will allow parties an opportunity to explore Eversource’s current planning and investment decisions. Finally, Eversource concluded, “given the virtual certainty of substantial additional work required to prepare, file, and review the LCIRP, and the strong likelihood that

such a filing would provide minimal additional value, there is good cause to waive the requirement for Eversource to file an LCIRP by August 25, 2019.” *Id.* at 6.

B. OCA

The OCA argued that RSA 378:38-a does not permit a waiver of the two-year and five-year filing requirements in RSA 378:38, but instead permits a waiver only of the specific elements of a plan listed in subsections I through VII of that statute. According to the OCA, the Commission’s prior waivers under RSA 378:38-a have all been limited to waiving certain subsections, and have not involved waiving the timing requirements for filing an LCIRP.

The OCA also claimed that a waiver of Eversource’s LCIRP filing requirement would not be for good cause. The OCA disagreed with Eversource’s claims that an LCIRP filed in 2019 would become obsolete almost immediately. Instead, the OCA asserted that regular LCIRP filings provide “an easily accessible snapshot of utility distribution planning practices and investment plans at one point in time, so much of their value arises out of the fact that these snapshots appear at regular intervals and thus allow stakeholders and the Commission to understand how those practices and planned investments change over time.” OCA Objection at 3. The OCA observed that the stakeholder process for developing the requirements for utility IDP filings in the grid modernization docket (IR 15-296) could be delayed past the projected 2020 IDP filing date. Therefore, the OCA asserted that review and decision on the 2019 LCIRP will likely occur well before the utilities begin to prepare and file IDPs. *Id.* at 5.

The OCA took issue with Eversource’s characterization of the OCA’s earlier comments in the 2015 Eversource LCIRP docket. According to the OCA, its prior comments were not to encourage utilities to avoid filing their next LCIRPs, but were instead meant to encourage the

Commission to waive the requirements enumerated in RSA 378:38 selectively, which requirements the OCA argues are vestiges of vertical integration. *Id.* 6-7.

The OCA argued that if the Commission agrees with Eversource's concerns about resource constraints in filing its 2019 LCIRP, the Commission should require Eversource to file a more limited LCIRP that includes: (1) a forecast of demand; (2) an assessment of demand-side management; and (3) an assessment of distribution and sub-transmission requirements (covering at least five years of projected business as usual planned system investments). *Id.* at 8-9.

The OCA pointed out that in Docket No. DE 17-136 (2019 Energy Efficiency Plan Update) Eversource agreed to file a grid needs assessment in its next LCIRP. Given that this agreement was made in December 2018, the OCA maintained that Eversource knew of its resource constraints and nonetheless agreed to file its next LCIRP on schedule. Thus, Eversource should not now claim good cause to waive the LCIRP filing.

III. COMMISSION ANALYSIS

Pursuant to RSA 378:38-a “[t]he commission, by order, may waive for good cause any requirement under RSA 378:38, upon written request by a utility.” RSA 378:38 states as follows:

Pursuant to the policy established under RSA 378:37, each electric and natural gas utility, under RSA 362:2, shall file a least cost integrated resource plan with the commission within 2 years of the commission's final order regarding the utility's prior plan, and in all cases within 5 years of the filing date of the prior plan. Each such plan shall include, but not be limited to, the following, as applicable:

- I. A forecast of future demand for the utility's service area.
- II. An assessment of demand-side energy management programs, including conservation, efficiency, and load management programs.
- III. An assessment of supply options including owned capacity, market procurements, renewable energy, and distributed energy resources.
- IV. An assessment of distribution and transmission requirements, including an

assessment of the benefits and costs of "smart grid" technologies, and the institution or extension of electric utility programs designed to ensure a more reliable and resilient grid to prevent or minimize power outages, including but not limited to, infrastructure automation and technologies.

V. An assessment of plan integration and impact on state compliance with the Clean Air Act of 1990, as amended, and other environmental laws that may impact a utility's assets or customers.

VI. An assessment of the plan's long- and short-term environmental, economic, and energy price and supply impact on the state.

VII. An assessment of plan integration and consistency with the state energy strategy under RSA 4-E:1.

Section 378:38 thus contains filing and timing requirements as well as elements to be contained in the LCIRP filing. We read the plain language of RSA 378:38-a as allowing the Commission to waive for good cause both the specific content elements of an LCIRP and the timelines for filing. We will not grant any waivers without good reason, however, and we will require a compelling demonstration of good cause before waiving the timeline for filing an LCIRP.

We issued our decision on the Company's prior LCIRP on August 25, 2017. *See* Order No. 26,050. Thus, without a waiver, Eversource would be required to file its next LCIRP on or before August 25, 2019. Given our pending investigation on grid modernization, IR 15-296, and the anticipated timing of an IDP filing, we find that a waiver of the August 25, 2019, filing deadline for Eversource will allow a more efficient use of utility resources. Thus, good cause exists for a waiver of the two-year filing requirement found in RSA 378:38.

RSA 378:38 also contains a five-year filing requirement that runs from the date that a utility's prior LCIRP was filed. Eversource filed its prior LCIRP on June 19, 2015. Thus, the five-year filing requirement would compel an Eversource LCIRP filing on or

before June 19, 2020. This five-year requirement ensures that LCIRP filings occur at regular intervals regardless of the timing of the review and approval process at the Commission. We do not find that good cause exists to waive the five-year requirement at this time.

While we will allow Eversource to delay its LCIRP filing, we will nonetheless require a more limited filing by the Company on or before August 25, 2019. The purpose of that filing will be to ensure that Eversource is adhering to the commitments made in its prior approved LCIRP. Our prior approval of Eversource's 2015 LCIRP contained a number of specific deliverables and we will require updates of those no later than August 25, as listed below:

- Confirmation that the utility is currently following the process of system planning utilizing those established procedures, criteria, and policies outlined in its 2015 LCIRP, and achieving the objectives included in its 2015 LCIRP;
- A copy of the Eversource-UES and Eversource-NHEC Joint Recommendations Report from each of the most recent joint planning meetings with UES and with NHEC;
- 2019 Organization charts for field distribution operations, planning, and engineering;
- An updated crew complement report (include bucket crews, digger crews, and troubleshooters assigned to each area work center in all five regions) for 2017, 2018, and 2019;
- The Company's evaluation of targeted energy efficiency solutions for potential projects for 4 & 12 kV substations due to loading;
- An update on the HeatSmart customer recertification results;
- A copy of the most recent list of proposed capital projects which were presented to senior management for consideration of approval; and
- Details regarding the steps taken through each state of the Planning Process Flow for each of the highest-cost distribution capital projects with a status of In Service, Under Construction, or Planned, within the prior two years, and a demonstration of how the LCIRP plan was followed through the planning process.

We will not require Eversource to update its distribution automation plan or its customer engagement platform in the August 25, 2019, filing. Although those items were included in the order approving the 2015 LCIRP, they will be covered in more detail in the IDP.

In conclusion, we grant Eversource's waiver request, in part, and will not require a full LCIRP filing on August 25, 2019. We will require a more limited filing, however, and that filing must include updates on the status of a number of specific deliverables required by our prior order approving Eversource's 2015 LCIRP.

Based upon the foregoing, it is hereby

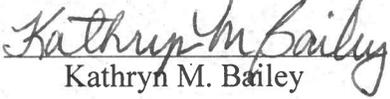
ORDERED, that Eversource's request for a waiver is GRANTED IN PART as discussed in this order; and it is

FURTHER ORDERED, that Eversource shall file a more limited document consistent with this order, on or before August 25, 2019.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of June, 2019.



Martin P. Honigberg
Chairman



Kathryn M. Bailey
Commissioner



Michael S. Giaimo
Commissioner

Attested by:



Debra A. Howland
Executive Director