

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

DE 12-358

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Petition to Adjust Renewable Default Energy Service Rate

ORDER OF NOTICE

On December 19, 2012, Public Service Company of New Hampshire (PSNH or Company) filed a petition to adjust its renewable default energy service rate (RDES) with supporting testimony and related attachments. In its petition, PSNH requested that the Commission increase its RDES rate to 5.558 cents per kilowatt hour (kWh) for customers electing the 100% option, 2.779 cents per kWh for customers electing the 50% option and 1.395 cents per kWh for customers electing the 25 percent option. In addition, the Company now seeks to establish a minimum number of customers required to continue the RDES rate. 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 <http://www.puc.nh.gov/Regulatory/Docketbk/2012/12-358.html>.

On March 5, 2010, the Commission approved PSNH's RDES rate program established pursuant to the requirements of RSA 374-F:3, V. *See* Order No. 25,080 (March 5, 2012) in Docket No. DE 09-186. Under the RDES rate, PSNH's default energy service customers are provided with the opportunity to support the development of renewable sources of generation in New England. The Company purchases and retires, on behalf of participating customers, renewable energy certificates (RECs) from renewable sources of generation in New England that match either all or a portion of those customers' actual use. The RDES rate is billed to the

participating customer as an additional charge, in cents per kWh, based on the renewable option chosen. The Commission last set the Company's RDES Rate in Order No. 25,324 (January 31, 2012) in Docket No. DE 11-255. In June 2012, the Company requested a revision to the RDES rate in DE 11-255. PSNH proposes to withdraw the filing and replace it with the relief requested in the instant filing.

According to the petition, the RDES rates requested in this filing are based upon the anticipated alternative compliance payment rate for 2013 Class I (new) and Class II (solar) RECs. According to PSNH, if the proposed rates are approved, residential customers using 500 kWh per month would pay \$27.79 for the 100% RDES Rate option and \$6.95 per month for the 25% rate option. Small business customers using 10,000 kilowatt-hours per month would pay \$555.80 per month for customers choosing the 100% RDES Rate option while those electing the 25% RDES Rate option would pay \$138.95 per month.

In addition, pursuant to RSA 374-F:3, V(f)(10), PSNH requests that the Commission approve the Company's proposal to require that a minimum number of customers participate in the program in order to continue the RDES rate option. According to PSNH, the RDES rate option has had extremely low participation since its inception and currently only has 173 customers, or 0.04 percent of eligible customers, enrolled. PSNH proposes to establish a threshold of 1.0 percent of eligible customers choosing to participate as a condition to continuing the REDS rate option. Under PSNH's proposal, should 1.0 percent of eligible customers not choose to participate in the program within 6 months of the rate being set at the level proposed in the instant filing, PSNH would cease to offer the program and, with the Commission's approval, any over-or under-recovery would be reconciled in PSNH's default service rate.

The filing raises, inter alia, issues related to whether it is just and reasonable to allow PSNH to increase the RDES rate for purchase of estimated obligations of 2013 Class I and Class II RECs, whether the proposal is consistent with RSA 374-F:3, V(f) and prior Commission orders; whether the resulting rates are just and reasonable pursuant to RSA 378:5 and 8; and whether the proposal to require minimum customer participation in the RDES program is consistent with 374-F:3, V(f)(10) and is in the public interest. 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 Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on February 20, 2013 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. Code Admin. Rules Puc 203.15 shall be considered; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, PSNH, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow PSNH to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, PSNH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than February 8, 2013, 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 February 15, 2013; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a

Petition to Intervene with copies sent to PSNH and the Office of the Consumer Advocate on or before February 15, 2013, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before February 20, 2013.

By order of the Public Utilities Commission of New Hampshire this fourth day of February, 2013.



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.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.